Transitional Jobs: Stepping Stones to Unsubsidized Employment

April 2002

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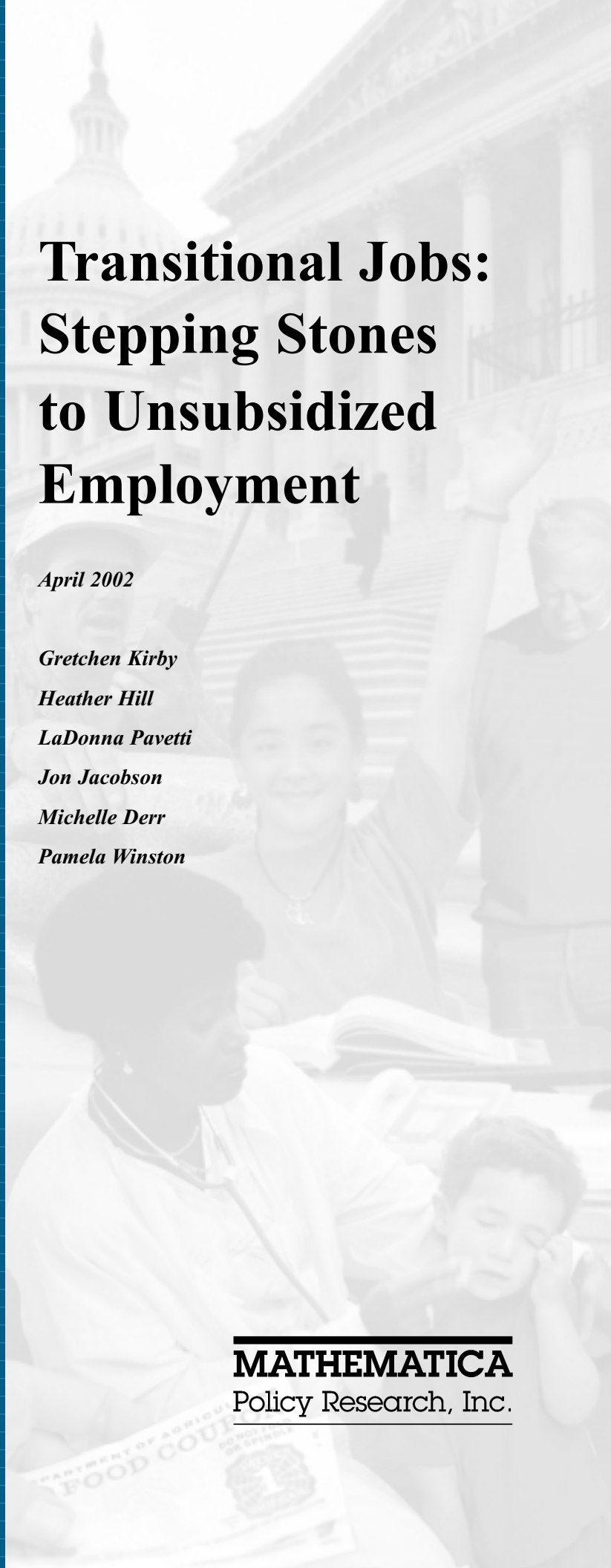

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Acknowledgments

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Executive Summary

Transitional work programs—a variation on publicly funded jobs programs of the past—are a new option for helping hard-to-employ TANF recipients find jobs. As welfare caseloads declined in the late 1990s, lawmakers and program administrators became increasingly concerned with families that—despite strong incentives to work and increased supports for working parents—still continue to receive welfare, have difficulty finding steady employment, and risk hitting the time limit on their cash assistance.

The philosophy behind transitional jobs programs is that the best way to learn how to work is through a paying job, an idea attractive to policymakers and program administrators in the current work-focused welfare environment. Although these programs focus on work, they also provide a supportive environment and direct services for participants who need individualized attention in making the transition into work. This approach is particularly useful to policymakers and program administrators because it has the potential to move a relatively inactive portion of the welfare population into work.

Indeed, more and more program administrators are looking at transitional work programs as a promising strategy for addressing the needs of hard-to-employ TANF recipients. Some advocates are also calling for the expansion of transitional jobs programs to other hard-to-employ populations such as ex-offenders, refugees, and individuals with disabilities. The growing interest in these programs warrants a close look at how they work, what it takes to implement them, how much they cost, and how successful they are. This in-depth study of six transitional work programs addresses these questions, providing insight into the transitional jobs model and its potential for serving hard-to-employ TANF recipients.

PROGRAMS IN THE STUDY OF WAGE-PAID TRANSITIONAL EMPLOYMENT

People Realizing Employment Possibilities (PREP), Forrest City, AR
Community Jobs Program (CJP), San Francisco, CA
GoodWorks!, Augusta, GA
Transitional Work Corporation (TWC), Philadelphia, PA
Community Jobs (CJ), Aberdeen, WA
Community Jobs (CJ), Tacoma, WA

DEFINING TRANSITIONAL WORK

Transitional work programs offer temporary, subsidized employment in a supportive environment to those who lack work experience, education, or training. As of May 2001, there

were approximately 40 transitional jobs programs nationwide, serving at least 3,500 individuals at a time (Richer and Savner 2001). Transitional work has these key features:

Transitional work is paid work. Like unsubsidized workers, transitional workers earn a wage for actual hours worked and they are eligible for the Earned Income Tax Credit. Most positions are part-time (less than 35 hours per week) with an hourly wage from $5.15 to $8.52 (Table 1). Participants begin earning a wage soon after entering a program; most are paid biweekly or twice monthly. Unlike regular employees, most transitional work participants do not receive employee benefits (for example, employer contributions to health insurance or retirement plans).

TABLE 1
TRANSITIONAL WORK—HOURS AND WAGES

	Hours per Week	Wage per Hour[a]
PREP Forrest City, AR	30-40	$5.15, $5.50, or $6.00[b]
CJP San Francisco, CA	1-parent: 32 2-parent: 35	$6.26[c]
GoodWorks! Augusta, GA	20-28	$5.15-$8.52[d]
TWC Philadelphia, PA	25	$5.15
CJ Aberdeen, WA	20	$6.72[e]
CJ Tacoma, WA	20	$6.72[e]

SOURCE: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

[a]At the time of the site visit, the federal minimum wage was $5.15.

[b]Wage depends on education level of the PREP participant.

[c]Since the site visits, the wage for San Francisco Community Jobs participants increased to $8.00.

[d]Wage ranges based on phase of program and work-site.

[e]The wage for Washington State Community Jobs participants is the state minimum wage, which is indexed to inflation and increased to $6.90 on January 1, 2002.

Transitional work is designed for the hard-to-employ. Individuals are generally referred to transitional work programs by the TANF agency because they are floundering in traditional "work first" programs. Transitional work programs are an attractive alternative because they provide a paycheck and an environment that supports the transition to work. Participants gain experience and receive training, which improves their chances of finding and keeping unsubsidized employment. The part-time schedule of most transitional work place-

ments and the intensive case management provided by program staff allow individuals to adapt more easily to the requirements of work and to identify and address problems as they arise.

Transitional work is not "make-work." Transitional work does more than occupy people's time and provide income: It provides a realistic experience of looking for and holding a job. After programs match participants to placements that fit their interests, needs, and circumstances, they must complete interviews and other standard application requirements at the transitional work site. Once on the job, participants are closely monitored to ensure they have real responsibilities, receive training, and make contributions to their employers.

Transitional work is temporary. The goal of transitional work is to give participants enough time to gain marketable experience and skills, without becoming too comfortable and losing the incentive to find permanent employment. Transitional employment is usually limited to nine months, and some programs have a goal of moving participants into permanent employment in as few as three months.

Transitional work is concentrated in non-profit organizations. Non-profits are excellent partners for transitional work programs, because they are willing to provide individualized training and supervision to participants in exchange for employees that they would otherwise not be able to afford. Many programs also use, or would like to use, public and private placements, which are more likely to lead to permanent employment. Public and private placements usually require collaboration with employee unions to ensure that subsidized transitional workers do not displace unsubsidized employees.

HOW PROGRAMS SUPPORT TRANSITIONAL WORKERS

Transitional work programs provide different levels of support, depending on the targeted population and the resources allocated by the state or locality. Basic programs concentrate on providing participants with temporary, subsidized work experience. More comprehensive programs provide a variety of supportive services before, during, and after the placement. Table 2 lists the services we found in the six programs.

Assessment. Transitional jobs program emphasize rapid entry into transitional job placements. At most, clients spend two weeks in pre-placement activities before beginning their jobs. Only two of the programs we studied—GoodWorks! and CJ-Aberdeen—conduct in-depth assessment of all participants. The other programs rely on information passed on by TANF case managers (which can be extensive) or on informal assessment during discussions with the participant.

Training. Most of the programs provide participants with some pre-placement training on job search skills and workplace norms. Some programs also require participants to complete 4 to 20 hours of other work-related activities during the transitional placement. These activities help participants address barriers to employment, such as limited English, substance abuse problems, or difficulty with workplace norms. Research suggests that the combination of work and education improves participants' access to better jobs (Strawn and Martinson 2000).

Support and supervision. At work, transitional workers receive more supervision and support than regular employees. Work site supervisors help them learn basic skills, acquire good workplace behaviors, and identify leads for unsubsidized jobs. The support that participants receive from program staff is more intensive than that in other welfare programs

because of low client-to-staff ratios (generally 25:1) and high frequency of contact (generally weekly). Program staff identify and address personal barriers to employment, encourage and reassure participants, teach life skills and acceptable workplace behaviors, and monitor progress at the work site. Staff describe their role as "doing whatever it takes to help people get and keep a job" and being a "mentor" and "resource tool."

TABLE 2
SERVICES AND SUPPORTS PROVIDED THROUGH TRANSITIONAL WORK PROGRAMS

Pre-Placement Services	
Formal Assessments	**Training**
Drug tests	Resume and cover-letter writing
Criminal background check	Filling out applications
Basic and job skill tests	Interviewing skills
Psychological evaluations	Workplace culture
Screens for barriers to employment	Life skills
Interest inventories	Lectures/discussions about health, domestic violence, substance abuse, and consumer credit
Services During Placement	
Work site supports and mentoring	
Case management	
Job coaching	
Education and job skills training	
Supportive services (e.g., transportation passes, money for car repairs, children's clothes, household supplies)	
Services During the Transition to Unsubsidized Employment	
Job coaching	
Job search assistance	
Job development	
Job retention follow-up	

SOURCE: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

Supportive services. Transitional jobs programs tend to rely on existing systems for supportive services rather than providing such services directly. Most transitional jobs participants continue to receive, for example, child care services, transportation assistance, Medicaid, and food stamps. Some programs, such as the Washington CJ programs, distribute TANF supportive services funds directly to participants, for items such as car repairs, counsel-

ing, and household supplies. The programs that allow or encourage participants to leave TANF provide some supportive services directly—including a van service, a scholarship program, and a car purchase program.

Job search and retention services. All transitional workers receive help searching for unsubsidized employment, but only two of the six programs (TWC and GoodWorks!) provide such help intensively and on-site. The other programs refer participants to the TANF or employment agency. Although this may be efficient, it makes it more difficult for the program to monitor participants' success. Realizing that finding work is only a first step toward self-sufficiency, some programs offer participants job retention follow-up—which can include supportive services, job coaching, and incentive payments—for as long as two years.

KEY FINDINGS AND NEXT STEPS

The six programs we describe in this report exhibit the flexibility of transitional jobs programs and their capacity to be both work-focused and supportive. The challenges and successes these programs have experienced can guide the course for existing and future programs. Our analysis has yielded important findings on program goals and structure; program services; and program costs, outcomes, and perceived benefits that are presented in Table 3.

Based on the findings of this study, those involved with the development of current and future transitional jobs programs may want to consider several issues related to the model and its potential to serve hard-to-employ individuals.

- **Program administrators can use the flexible framework of transitional jobs to provide paid work and support to hard-to-employ individuals**

The transitional jobs model can incorporate variations in the length of placement, wages paid, types of placements offered, and types of services provided. A program's approach can vary in intensity, depending on the targeted population and the resources that the state or locality chooses to spend. States and localities interested in developing transitional work programs should consider the targeted population and the goals of the program before determining how intensive and costly an approach they will take.

- **Transitional jobs programs can do more to address the full range of barriers that participants face**

As work-based programs, transitional jobs programs often have a daunting task in helping participants overcome barriers to employment. The programs are well equipped to deal with participants' lack of work experience, basic job and life skills, and logistical barriers to work. Programs have struggled, however, with addressing the more severe personal and family issues that can be formidable hurdles to steady employment. While recognizing that some problems will be beyond the scope of what transitional jobs programs can address, the relatively low client-to-staff ratios and program flexibility can give participants an opportunity to work through many problems.

- **Participants might benefit from a stronger focus on helping them find and keep unsubsidized employment**

The stepping-stone that transitional jobs can provide to unsubsidized employment is meaningful only if participants actually gain employment after participating in the programs.

TABLE 3
KEY FINDINGS

Program Goals and Structure
• Transitional jobs programs are a promising strategy for serving individuals floundering in traditional "work first" programs, because they provide a paycheck for real work and an environment and direct services that support the transition.
• Programs in this study provide paid work and other services for the hard-to-employ by collaborating with government agencies, other non-profits, and private businesses.
• Programs in this study were able to depend almost completely on TANF and Welfare-to-Work funding because they serve primarily TANF recipients.
Program Services
• The expectations and responsibilities of, and the rewards reaped by, transitional workers resemble those of regular employees. Transitional workers therefore experience both the benefits and challenges of working in a supportive environment.
• Workers in transitional jobs programs receive more intensive support, supervision, and assistance in working through barriers than they would in other TANF programs. Specifically, the client-to-staff ratio is lower, and the frequency of contact between clients, and program and work-site staff is higher in transitional jobs programs.
• The three programs in this study that target longer-term welfare recipients—TWC, GoodWorks!, and CJP-San Francisco—provide a more comprehensive set of supportive services before, during, and after the placement than do programs targeted more generally to hard-to-employ TANF recipients.
Program Costs, Outcomes, and Perceived Benefits
• The service costs of programs in this study—which range from $379 to $1,871 per participant month—are determined by the intensity of services and length of placement. Four of the transitional jobs programs studied have total service costs that are lower than the costs of other labor force attachment programs for welfare recipients.
• Wage costs represent a sizable portion of total costs for most of the programs, but they comprise a smaller portion of costs in the programs with more intensive services. Wage costs add between $287 and $749 per participant month.
• Consistent participation in the study programs usually leads to permanent unsubsidized employment—placement rates for program completers range from 81 to 94 percent.
• Transitional jobs programs, like all TANF work-related programs, struggle with how to retain participants for the duration of the program. Approximately half of those referred to the programs in this study do not successfully complete the programs.
• Similar to welfare leavers in general, participants who gain unsubsidized employment tend to work at least 32 hours per week and about half get jobs that offer health insurance at the time of job entry. Initial wages of program participants, like all welfare leavers, leave them below the poverty line. We do not know, however, how wages of program participants differ from welfare leavers over time.
• Program participants and staff report that transitional work has a positive affect—personally, professionally, and financially—on participants' lives.

Some of the programs in this study seem to lack continuity in linking participants with permanent employment and helping them maintain it. The programs with well-defined job placement services have the highest rates of placement for participants who successfully complete the program. Regardless of the structure for placement services (in-house or through partner agencies), it is important that the link between the transitional job program and job placement is clear and that clients perceive continuity in services. Follow-up after participants find permanent employment is also likely to be essential to improving employment outcomes. Retention follow-up can ensure that clients continue to have support, encouragement, and a direct connection to supportive services while they adjust to a new job.

- **Improving the quality of collaborations between transitional jobs programs and their partners could lead to greater program cohesiveness**

Transitional jobs programs are, by their nature, collaborative efforts among non-profits, government agencies, employee unions, and private employers. Effective collaboration can be challenging. The more organizations or staff contacts that participants must encounter, the less likely they are to see transitional jobs as a cohesive program and the more likely they will get lost in the process. Over time, the programs have found ways to improve their collaborative efforts and more effectively address client needs.

- **Transitional jobs programs show promise, but more definitive research on participant outcomes and net costs is needed**

A number of studies, including this one, have shown that transitional jobs may be an effective means of moving hard-to-employ TANF recipients into the work force and toward self-sufficiency. However, because these are relatively new programs there remains little rigorous experimental research evidence on the effectiveness of transitional jobs programs, relative to other approaches, in improving the employment outcomes of participants, the importance of the various components of the programs (e.g., length of placement, availability of retention services), and the relative benefits and costs.

TANF reauthorization presents an opportunity to take a closer look at transitional jobs and consider the many ways they can contribute to moving TANF recipients into employment. Few, if any, policy changes are needed to allow transitional jobs programs to flourish. The future of transitional jobs programs depends heavily on the availability of funding. There is a risk that these programs may end before they have had the opportunity to mature and undergo more rigorous evaluation. If further state or federal funding were allocated for continuing or expanding transitional jobs programs, it would be advantageous to incorporate research and evaluation into the funding requirements.

I. An Overview of Transitional Jobs Programs

INTRODUCTION

Transitional jobs programs are a new twist on an old idea. They entered the welfare tool kit after the reforms of 1996 primarily to address the employment needs of long-term, hard-to-employ recipients of Temporary Assistance to Needy Families (TANF) who risk hitting the time limit on their cash assistance. The philosophy behind transitional jobs programs is that the best way to learn how to work is through paid work, an idea attractive to policy makers and program administrators in the current work-focused welfare environment.

Transitional jobs programs offer real work experience to those who lack experience with the working world. Furthermore, the programs provide this experience in a supportive environment designed to improve the skills and, therefore, the employment opportunities of participants, especially those who have been unsuccessful in traditional "work first" programs. In this way, transitional jobs programs have the potential to move a relatively inactive portion of the welfare population into work activity, which will contribute to a state's work participation rate (while program participants are receiving TANF cash assistance) or to caseload reduction credit (when participants move off the caseload).[1]

"The program offers real life working experience, real money, real interaction, and real support."

—PREP program administrator

Evolution of transitional jobs

Publicly funded jobs programs have evolved as policy and economic contexts have changed.[2] Early programs tended to be countercyclical measures to mitigate the effects of a poor economy by employing individuals who, in better times, would be able to find employment. These programs gave little thought to skill-building or work experience that would improve the earning capacity of participants (Ellwood and Welty 1998). Mandatory public work programs that require community service in exchange for a welfare grant began to appear in the early 1980s, and a few such programs are still in effect today (such as New York City's highly publicized Work Experience Program). These programs, often referred to as "workfare," expanded as the concept of reciprocal responsibility between the welfare recipient and the welfare program gained popularity in the 1990s.

Voluntary public service employment programs, which have appeared intermittently since the 1970s, differ from countercyclical and mandatory programs in that they do not

[1] Transitional jobs programs are not considered "assistance" under the TANF final rules. If an individual is participating in a transitional jobs program funded with TANF funds and is not receiving cash assistance, this participation does not count toward the TANF time limit. In addition, the participant cannot be included in the calculation of the state's work participation rate. For further details, refer to Greenberg and Savner, "The Final TANF Regulations: A Preliminary Analysis" Center for Law and Social Policy, 1999.

[2] The three classifications of programs discussed here are adapted from Ellwood and Welty 1998.

emphasize job creation. These programs target populations that have difficulty gaining employment even when economic conditions are good. They generally combine short-term paid employment with some training and education to improve participants' future employability. In this respect, transitional jobs programs most closely resemble targeted voluntary programs, although some individuals have little choice but to participate.

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 and the strong economy of the late 1990s created the environment for the emergence of the newest form of publicly funded jobs—transitional jobs programs. PRWORA introduced time limits on cash assistance (60 months lifetime total for use of federal funds) and work requirements for TANF recipients (currently at 30 hours per week).[3] These policies emphasize that assistance is temporary and that the purpose of welfare is getting people into employment. In the economy of the late 1990s, the assumption was that anyone who could work and wanted to work could find a job. Welfare policies that emphasized work and the good economy combined to reduce welfare caseloads across the country, nearly 50 percent on average.

Amidst this good news, attention has increasingly turned to those individuals still on welfare. Declining caseloads put greater TANF funds at the disposal of states to develop strategies for serving hard-to-employ individuals. In addition, under PRWORA, federal funding for TANF can be more readily used to pay the wages of participants in community service employment.[4] Welfare-to-Work (WtW) funding was also available to address the needs of the long-term, hard-to-employ TANF population. With greater resources, states and localities were ready to experiment with an old idea in a new form.

Transitional jobs programs today

As of May 2001, there were approximately 40 transitional jobs programs across the country, serving at least 3,500 individuals at any given time (Richer and Savner 2001). The Center for Law and Social Policy defines transitional jobs programs as "programs that use public funds to provide temporary jobs to help individuals prepare for unsubsidized employment" (Richer and Savner 2001). While current transitional jobs programs—and most of the programs that are the topic of this report—are generally targeted at hard-to-employ welfare recipients, they can serve a broader population, such as refugees, ex-offenders, and individuals with disabilities. Whatever the starting point or circumstances of the targeted populations, the goal remains the same: transition into unsubsidized employment.

Because they are new, little is known about how transitional jobs programs work, what it takes to implement them, how much they cost, and how successful they are. With the approaching debate over reauthorization of the TANF program and the growing interest in the role that transitional jobs can play in moving TANF recipients into employment, the

[3] For details on these policies, see Greenberg and Savner, "A Detailed Summary of Key Provisions of the Temporary Assistance for Needy Families Block Grant," Center for Law and Social Policy, 1996.

[4] Under the rules for the Aid to Families with Dependent Children (the predecessor to the TANF program), funding of community service or public service employment for welfare recipients could only be accomplished through the complicated process of grant diversion.

Rockefeller and Charles Stewart Mott Foundations initiated the Study of Wage-Paid Transitional Jobs Programs to answer these questions.

THE STUDY OF WAGE-PAID TRANSITIONAL JOBS PROGRAMS

The Study of Wage-Paid Transitional Jobs Programs, conducted by Mathematica Policy Research, examines six existing programs in depth. We examined six specific questions:

1. What are the key components of transitional jobs programs for TANF recipients?
2. What population of TANF recipients do transitional jobs programs target?
3. What are the key challenges in implementing a successful program?
4. How successful are wage-paid transitional jobs programs at placing TANF recipients in unsubsidized employment?
5. What are the costs and perceived benefits of providing transitional jobs to TANF recipients?
6. What are the implications for program expansion to other communities and for TANF reauthorization?

To address these questions, the study team conducted site visits and collected management information system (MIS) and cost data from each program.

Site visits

To develop a rich, first-hand picture of program operations and results, a Mathematica research team spent two to three days at each of the six programs in August and September 2001. During this time, the team interviewed program administrators and staff about the challenges facing them, their successes, their clients, and overall program operations. The team also conducted small group discussions with work site supervisors and private employers to discern their views on the needs and skills of entry-level workers and on whether transitional jobs programs really do move welfare recipients into permanent jobs.[5] Finally, through focus group discussions with current and former program participants, the team gathered information on these individuals' experiences with the programs and with work in general.[6] Appendix A includes summaries of the characteristics of the current and former clients who participated in the focus groups.

[5] All focus group discussions were organized with the assistance of the programs under study. They were not representative groups of employers, work site supervisors, or clients. Findings from the focus groups are intended to add context to other study components and to serve as a check on the validity and reliability of information obtained from program respondents. We use the focus group findings to highlight program services and experiences, not to evaluate the programs.

[6] The San Francisco Urban Institute had conducted focus groups with former program participants in August 2001, shortly before our site visit. Rather than repeat focus groups, the San Francisco program requested that we use the information already gathered. We scheduled a focus group with current program participants for September 11, that was cancelled due to the unfortunate events of that day. We relied on information collected by the San Francisco Urban Institute through focus groups with current program participants in April 2001.

Administrative data collection

To enhance the picture of transitional jobs programs provided by the site visits, Mathematica collected currently available MIS data. Given the timing and scope of this study, we did not initiate any new data collection or link program client-level data to other state-level administrative data systems. To the extent allowed by the data, we analyzed the MIS data to describe and compare client characteristics, program participation, and employment outcomes.

Program cost data collection

We collected cost data to examine each program's use of resources and the factors that affect this. We obtained data for a 6- to 12-month period in which program operations had reached a steady state, to avoid including exceptional start-up costs.

THE STUDY SITES: SUMMARY INFORMATION

We used three main criteria in selecting study sites. First, we identified a mix of programs located in large inner cities and in rural areas, because job opportunities are generally more limited in such areas, even in a strong economy. Second, we looked for well-established programs that have overcome the start-up challenges and have had time to fine-tune their operations. Third, we included programs that offer different ranges of services and supports.

The six programs included in the study are:

- *People Realizing Employment Possibilities:* Forrest City, Arkansas
- *Community Jobs Program:* San Francisco, California
- *GoodWorks!:* Augusta, Georgia
- *Transitional Work Corporation:* Philadelphia, Pennsylvania
- *Community Jobs:* Aberdeen, Washington
- *Community Jobs:* Tacoma, Washington

Brief summaries of the six programs are presented below. Appendix B contains more detailed information on all of the programs.

People Realizing Employment Possibilities (PREP) Program, Forrest City, Arkansas *(rural)*

PREP serves TANF and low-income individuals in rural St. Francis County in the northeastern corner of Arkansas. Participants are paid from $5.15 to $6.00 per hour, based on educational level—a unique feature of this program. Unlike most of the other programs studied, this one uses transitional job placements in the private, for-profit sector. Placements can last up to six months, but the goal is for participants to move into unsubsidized work within their placement organization after three months.

Community Jobs Program (CJP), San Francisco, California *(urban)*

The CJP is San Francisco's answer to the state's community service requirement for TANF recipients who reach 24 months on cash assistance. The program places long-term TANF recipients in transitional jobs, largely in non-profit organizations, for 32 hours per week

(35 for adults in two-parent families). At the time of the site visit, the hourly wage was $6.26, but an increase to $8.00 was under consideration. The program is moving toward a model in which participants spend about 20 hours per week in their transitional job and approximately 12 hours per week in supplemental training activities, with wages paid for both work and training up to 32 hours. Unique to this program is its inclusion of participants with limited English proficiency.

GoodWorks!, Augusta, Georgia *(urban)*

The GoodWorks! model in Augusta served as the pilot site for a service approach that has expanded statewide. The program serves long-term TANF recipients in Richmond and Burke counties (this study focuses only on the Richmond County component). A distinctive feature of GoodWorks! is the in-depth assessment conducted for all program participants by the Georgia Department of Labor, Vocational Rehabilitation Division. Also noteworthy is the program's use of group placements that provide intensive on-the-job training and support to participants. Participants pass through two phases: the evaluation phase (20 hours per week) and the work adjustment phase (28 hours per week).[7] Participants are paid $6.00 per hour and the transitional job lasts up to six months.[8]

Philadelphia@Work Program, Transitional Work Corporation (TWC), Philadelphia, Pennsylvania *(urban)*[9]

The TWC program is a comprehensive transitional jobs program that provides: a two-week pre-placement training session, case management and job coaching during the transitional job placement, additional skill-based training during the placement period, and retention services for up to six months after participants start unsubsidized employment. During the transitional job placement, participants are paid $5.15 per hour for up to 25 hours per week for a maximum of six months. In the summer of 2001, the program organized staff and participants into teams to increase communication and more effectively meet participants' employment needs.

Community Jobs (CJ) Program, Aberdeen and Tacoma, Washington *(rural and urban)*

Washington State launched the first and largest transitional jobs program in the nation with Community Jobs. The two sites included in this study were pilot sites from the start of the program in March 1998. Community Jobs placements in non-profit or governmental organizations last for up to nine months. Participants are paid the state minimum wage for up

[7] Since the time of the site visit, the required hours during the work adjustment phase of GoodWorks! increased to an average of 35 per week.

[8] The hourly wages and hours per week of transitional work vary between the two contractors of the GoodWorks! Program in Richmond. In this summary, we present only the practices of the primary contractor. Further details on program practices are presented in subsequent chapters.

[9] The transitional jobs program in Philadelphia is officially called the Philadelphia@Work program, but is often referred to as the TWC program, after the administering agency. For ease in reference throughout this report, we will refer to the program as TWC.

to 20 hours per week.[10] An unusual feature of this program is that participants begin their transitional jobs with 20 hours of paid leave (vacation or sick leave) and earn 8 additional hours for each month they participate. Each contractor within the state must administer the CJ program within these guidelines, but the types of contracting agencies administering the program varies.

"The CJ program demonstrates the power of the paycheck and the rewards of working every day."

—City official, San Francisco

KEY FEATURES OF TRANSITIONAL JOBS PROGRAMS

Although the six programs studied represent a range of transitional jobs program models, they are similar in program impetus, targeted population and the options available to participants, and key operational features.

Program impetus

In most of the study sites, high-level policymakers—a governor, a mayor, a state labor commissioner—called for the creation of a program to help individuals at risk of hitting a time limit. In San Francisco and Philadelphia, TANF recipients must be in a work activity (defined as unsubsidized employment, community service, or subsidized employment) within 24 months after beginning TANF receipt to keep their cash assistance (Table I.1). Officials in these cities developed the transitional jobs program as a way to provide an opportunity to TANF recipients to meet this requirement. In Georgia and Washington, the concept for the transitional jobs programs was developed at the state level to assist families at risk of reaching the lifetime limit on cash assistance (48 months in Georgia and 60 months in Washington).

Targeted population

The transitional jobs programs are intended to serve hard-to-employ individuals (Table I.1). They target individuals who are unable to find jobs through structured job search activities or who have proven unsuccessful in other TANF work-related activities. Some of the programs define length of TANF assistance as part of eligibility requirements to enter the program. Over time, these programs have amended the length of time on TANF used to define eligibility, but have always limited entry to people who have already completed a job search program without success. An unsuccessful job search and difficulties in subsequent TANF activities are interpreted by the programs as signs that an individual needs more intensive assistance to find employment.

Other program options

By the time TANF recipients are referred to a transitional jobs program, they typically have few other program options. In sites with length-of-assistance eligibility requirements, long-term TANF recipients have generally exhausted many of the education, training, and work-related activities available to them. Their choices have narrowed by this time to a work-experience placement, community service, or the transitional jobs program. Individuals in the

[10] The state minimum wage in Washington, that is indexed to inflation, increased from $6.72 to $6.90 per hour on January 1, 2002.

sites without length-of-assistance requirements may have a few more options available to them, such as On-the-Job Training (50 percent wage reimbursement to the employer for a specified number of "training" months prior to hire), short-term intensive training programs (e.g., Certified Nursing Assistant), or other vocational or technical training programs. However, program staff report that most individuals referred to the transitional jobs programs have narrowed their options because of their lack of success in these TANF activities. The advantage of the transitional jobs program is that participants can earn a paycheck and qualify for the Earned Income Tax Credit (EITC). In addition, program staff and employers believe that experience in a transitional job carries more weight with future employers than experience gained through work experience or community service.

TABLE I.1
SUMMARY CHARACTERISTICS OF SIX STUDY PROGRAMS

Site	Program Initiation Date	Target Population	Total Clients Served[a]	TANF Time Limit
PREP Forrest City, AR	August 1999	TANF recipients and individuals with incomes under 185% of Federal Poverty Level (FPL)	177	24 months
Community Jobs Program San Francisco, CA	February 1999	TANF recipients nearing 24 months of assistance	274	60 months; Work trigger at 24 months requires paid work or community service for continued assistance
GoodWorks! Augusta, GA	March 2000	TANF recipients with 30 months of assistance	253	48 months
TWC Philadelphia, PA	November 1998	TANF recipients with 24 months of assistance	2,178	60 months; Work trigger at 24 months requires paid work or community service for continued assistance
Community Jobs Aberdeen, WA and Community Jobs Tacoma, WA	March 1998	TANF recipients who are unsuccessful in 12-week job search	266 1,123	60 months

SOURCES: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001; MIS data provided by the individual programs.

[a]The period of analysis varies for each program from its start to end dates as follows: PREP through December 22, 2001; CJP-San Francisco through August 8, 2001; GoodWorks! through December 19, 2001; TWC through December 26, 2000; CJ-Aberdeen through July 9, 2001; and CJ-Tacoma through August 13, 2001.

Key operational features

The six transitional jobs programs share five key operational features. They all:

1. Receive referrals primarily (and, in five sites, exclusively) through the TANF program
2. Emphasize quick placement into transitional jobs (no longer than two weeks)
3. Provide temporary (6-9 months) placements in wage-paying (generally minimum wage) jobs that acclimate participants to the working environment
4. Monitor and support each participant's progress in the transitional job
5. Require at least 30 hours per week in combined work and additional skill-based activities, although the hours in the transitional job itself vary from 20 to 40 hours per week

There are three design features in which the six programs vary. First, the programs vary in their resources to address barriers to employment, beyond just the lack of work experience. Second, some offer little or no additional skill-based training beyond the transitional job placement, while others require participation in additional training. And third, the programs vary in the degree to which they help participants obtain unsubsidized jobs and provide retention services.

These features suggest that while transitional jobs are an attractive approach to assisting hard-to-employ welfare recipients with the transition to unsubsidized employment, they may be only part of the answer. Given their design and structure, they are most applicable to the niche of the welfare population that lacks basic skills and work experience that can be addressed through temporary, supported employment. As such, they should be considered as a key component in a broader strategy to address the needs of the long-term, hard-to-employ welfare population.

The remainder of this report describes the various approaches to transitional jobs, their costs, and their effectiveness. Chapter II focuses on the key program component, the transitional job, and describes the characteristics of transitional work and compares the environment and working conditions of subsidized and unsubsidized employment. Chapter III describes the methods used to support program participants in their transitional jobs, enhance workplace behaviors and skills, and help participants in the transition into unsubsidized employment. In Chapter IV, we examine the organizational frameworks—administrative, funding, and staffing—on which the programs are built. Chapter V analyzes the costs of the study programs and discusses why costs differ across programs. In Chapter VI, we focus on program performance with an analysis of whom the programs serve, the dynamics of program participation, the employment outcomes that participants experience, and the perceived benefits to the programs. The final chapter discusses some key challenges that transitional jobs programs face and presents considerations for their future role in serving TANF recipients.

II. The Transitional Job

Transitional jobs are a new approach to serving hard-to-employ TANF recipients. Unlike other TANF employment programs, transitional jobs programs use the combination of work experience and a paycheck to prepare welfare recipients for permanent employment and self-sufficiency. In this chapter, we describe the features of transitional work as implemented in the six study programs and the ways by which the programs make transitional work as similar to permanent employment as possible.

WHAT IS TRANSITIONAL WORK?

The employment positions ("placements") offered through the transitional work programs are temporary and fully paid with public funding. Other characteristics of transitional work—such as duration and economic sector (public or private)—vary by program.

Transitional work generally lasts no longer than nine months

In order to maximize the benefits of transitional work, participants need enough time to gain marketable experience and skills, without becoming "comfortable" or losing the incentive to find permanent employment (Savner and Greenberg 1997). In the programs we visited, three restrict participants to nine months in the program. (Table II.1). The PREP and TWC programs set this limit at six months, largely because this was the length of the successful community service employment component of the New Hope Project in Milwaukee, Wisconsin. The sixth program, GoodWorks! in Augusta, takes a more flexible approach that allows staff to set or extend limits for participants based on their needs and work positions. In general, work positions last between six and nine months at the main service provider, but some participants are placed in work positions that last only 13 weeks.

GoodWorks!, CJP-San Francisco, and the two Washington programs can also offer three-month extensions: at GoodWorks!, for participants facing significant barriers to employment, such as substance abuse and involvement with child protective services; at San Francisco, for participants who, as determined by the staff, will benefit from additional skills and experience.

Transitional work is focused on individual, rather than group, placements

Programs that provide work experience for the hard-to-employ offer individual positions or group placements, usually in non-profit or public organizations. Group placements—an approach developed by supported work programs for disabled adults—generally offer a more structured work environment and more intensive support than do individual placements (Pavetti et al. 2001).

TABLE II.1
CHARACTERISTICS OF TRANSITIONAL WORK

	Maximum Length of Placement	Type of Placement			Type of Work Site	
		Individual	Group	Non-profit	Public	Private
PREP Forrest City, AR	6 months	√		√	√	√
Community Jobs Program San Francisco, CA	9 months[a]	√	√	√	√	
GoodWorks! Augusta, GA	13 weeks or 6 to 9 months depending on placement[b]	√	√	√		
TWC Philadelphia, PA	6 months	√		√	√	
Community Jobs Aberdeen, WA	9 months[a]	√		√	√	√
Community Jobs Tacoma, WA	9 months[a]	√		√	√	√

SOURCE: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

[a]Option for three-month extension is available.

[b]GoodWorks! participants placed at Goodwill Industries usually spend 6 months in a placement, and participants placed at Golden Harvest are limited to a 13-week placement. GoodWorks! also offers three-month extensions.

All of the programs in this study have developed individual placements; in all but one, these are the primary options for participants (Table II.1). The exception is the GoodWorks! program in Augusta, where most participants receive group placements at Goodwill Industries or a food bank warehouse called Golden Harvest.[11] San Francisco's program also recently developed a group placement option at Goodwill Industries, but the majority of CJP participants have individual positions. It is not a coincidence that Goodwill Industries is the partner in group placements in San Francisco and Augusta. Goodwill has been involved with supported work programs for a long time and can provide the work opportunities and more intensive supervision that group placements require.

The choice between individual and group placements entails certain trade-offs. Individual placements more closely resemble permanent employment and may make it easier for participants to move from subsidized to unsubsidized employment. On the other hand, group placements can offer more consistent and intensive support for clients struggling with barriers to work. Group placements are designed to be more flexible and to facilitate active

[11] At the time of the site visits, GoodWorks! was just beginning to place some clients who had spent some time in a group placement and who were deemed "work-ready" in individual placements.

staff efforts to deal with issues such as absenteeism and interpersonal conflict on the job. The San Francisco Community Jobs Program began offering group placements precisely because staff felt that some clients were not ready for the responsibility that comes with an individual placement.

Whether using individual or group placements, all the programs attempt to offer as much variety in work placements as possible so that participants have a chance to select work in which they are interested. (Choices in group placements are more limited.) Common types of positions include clerical and administrative jobs, food service, warehouse work, childcare, and landscaping. More unusual positions include animal care attendant at the humane society, marketing assistant for a non-profit organization, apartment management trainee, and batting cage operator.

Transitional work occurs most often in non-profit organizations

In the past, publicly funded jobs programs have emphasized non-profit and public placements in order to provide a service to both the participants and the community (Savner & Greenberg 1997; Sherwood 1999). Group placements are most often limited to non-profit community agencies, because they require intensive supervision. Although individual placements can be developed in any sector—non-profit, public, or private—program models have avoided private placements because of the risk that program participants will displace regular employees (Ellwood & Welty 1998). The six programs rely primarily on non-profit and public-sector placements, but half make use of some private-sector placements.

Non-profit work sites[12]

Non-profit placements are generally the easiest to develop. All six programs use non-profit work sites, many as their primary venue for placements (Table II.1). Non-profit organizations are ideal because they often have missions similar to those of transitional work programs—including helping families achieve self-sufficiency and reducing poverty. In addition, non-profit organizations are often in need of additional staff resources and, consequently, they are more willing to provide the individualized training and supervision that a participant needs.

Public-sector work sites

All of the programs, except GoodWorks!, also use some public-sector agencies as work sites. Local TANF and employment services offices are convenient places to develop transitional jobs because program staff often have working relationships with these agencies. In addition, public agencies are generally larger and have more resources than non-profits, which makes them more likely to offer opportunities for permanent employment.

Some programs have encountered resistance from public employee unions to placing transitional work participants in government positions because the transitional work participants, who come at no cost to the agencies, might displace regular, unionized staff members.

[12] Organizations that "hire" transitional work participants are referred to by different titles depending on the program. In this report, we refer to all of them as "work sites."

In Aberdeen, Washington, the Community Jobs program eases labor union concerns by consulting with union representatives each time it develops a new public-sector placement. In San Francisco, strong union opposition to having program participants perform similar work as union members but at lower wages, has led the Community Jobs Program to avoid public-sector work sites almost completely.

Private-sector work sites

Private sector work sites offer great potential for linking clients to permanent, unsubsidized employment. However, developing them is a greater challenge due to opposition from unions and welfare advocates or legal restrictions. Because private companies are often seeking ways to reduce costs, the potential that "free" transitional workers will displace paid regular employees is greater. Welfare advocates sometimes question what the participant's experience will be in private-sector placements. For example, in Philadelphia, advocates felt that for-profit companies might use TWC participant labor without providing adequate training and supervision. Since San Francisco's CJP is designed to meet the TANF/CalWORKs community service requirement, state TANF law prohibits the program from developing private sector work sites.

Because of these problems, only three of the study programs place participants in for-profit companies: the programs in Aberdeen and Tacoma, Washington since the summer of 2001,[13] and the PREP program in Arkansas since the start of the program in 1999.[14] PREP serves a rural community with limited employment opportunities of all kinds, so it was important that it use the resources in all sectors of the economy. For-profit firms provide over one-quarter (28 percent) of PREP's transitional jobs placements. The program has minimized union opposition by avoiding industries that have a stronger union presence.[15] The perceived risk of displacement is potentially high in the PREP and CJ for-profit placements, because the programs do expect the work sites to hire the participants into permanent, unsubsidized positions. PREP does not require a formal hiring commitment, but does look for work sites that are likely to hire participants. The Washington programs require that private work sites hire participants after they have spent five months in their positions.

Competition for work sites

One final factor that affects work site development is the competition among local work programs for work sites. In many of the communities where transitional work programs have developed, other programs offering unpaid or subsidized positions already existed under TANF or Welfare-to-Work structures. Consequently, some of the transitional work programs took advantage of employer contacts, work sites, and specific placements that were developed

[13] In July 2001, Washington State began a component of Community Jobs called Career Jump, which will allow transitional work placements in private companies. At the time of our visit to Aberdeen and Tacoma, no participants had yet been placed in private sector work sites.

[14] Since the time of the site visit, GoodWorks! began providing time-limited career orientation and trial job opportunities at private sector work sites.

[15] Also, union organization in Forrest City is limited, because Arkansas is a "right to work" state. State law prohibits employees from being compelled to join a union in order to gain employment.

by other agencies. This practice has proved an efficient way to develop an initial selection of work-sites, but it has fostered some competition among programs for work sites.

HOW SIMILAR IS TRANSITIONAL WORK TO PERMANENT, UNSUBSIDIZED WORK?

Transitional work programs aim to provide a realistic employment experience that exposes participants to the benefits and challenges of working. The programs and the work site employers must cooperate to ensure that the structure and environment of transitional work mirror that of permanent employment. They do this by using a placement process that resembles a job search, by paying participants wages for hours worked, and by expecting that participants view themselves, and are viewed by others, as real employees.

Transitional work, however, differs from unsubsidized work in important ways. Participants in most of the programs in this study receive more intensive supervision and support—from both program staff and work site supervisors—than they are likely to receive in permanent employment. In addition, participants are not competing for jobs in the open market, but are looking at only a few pre-selected sites. Despite these differences, participants, work site supervisors, and staff agree that transitional work programs do provide participants a real work experience.

The placement process for transitional work is similar to a job search

The transitional work programs strive to make the placement process as much like a search for permanent employment as possible, although there is less choice and competition than in the regular job market. The programs match open placements to individual participants interests and needs, and require that participants go through a standard application process. This encourages participants to assess their interests and capabilities, to consider a career path, and to practice job search skills.

Matching participants with placements

For the programs in this study, the process of matching a new transitional work participant to an appropriate placement begins soon after referral. A single staff person is responsible for helping the participant find a position and begins discussing options with the participant during, or shortly after, the program orientation.[16]

When matching open placements to a new participant, program staff consider the participant's skills and interests, geographic location, personal and family circumstances, and potential barriers to work. They collect most of this information during informal discussions. Some programs use application forms or formal assessment tools; for example, TWC and the Aberdeen, Washington CJ program do some formal testing of participants' skills and career interests during orientation. CJP-San Francisco receives results from targeted vocational assessments conducted by the TANF agency. Finally, staff may receive information from the TANF case manager who referred the participant. Case files can provide a job history and

[16] Details on orientation and staff functions are included in Chapter III.

assessments by the TANF or employment services agency. This information can be useful for making placement decisions, but some programs have had difficulty consistently receiving case file documentation from the TANF agency.

All of the programs' placement processes try to identify positions that match a participant's interests and needs, and to give participants some choice in their placement. However, these efforts are restricted by the work sites and positions available, which, in turn, may simply match the condition of the open job market. The program most limited is GoodWorks!, which primarily offers several types of placements at just two work sites.[17] The other programs offer a broader range, but those options are often heavily weighted to one type of work. For instance, in Tacoma, the program administrator estimates that about 60 percent of the transitional work placements are clerical positions.

Applying for placements

Participants in most of the programs in this study are required to apply for transitional work positions, but the levels of choice and flexibility in the application process vary.[18] Interviewing is the most common and substantive component of the application process. If a work site's standard application process involves filing a resume or application, completing a background check, or taking a drug test, then those are also likely to be components of the transitional job application process.

According to work site supervisors and participants, the structure and content of interviews for transitional work positions is nearly identical to interviews for permanent, unsubsidized work. Most often, participants must call the work site to set up their own interviews. In some cases, program staff help by forwarding the participant's resume or calling the work site to discuss a participant in advance. With few exceptions, work site supervisors interview transitional work participants just as they would applicants for a permanent position.

While work sites nearly always interview transitional work participants, the participants' performance during the interview is rarely decisive in the placement decision. Most program staff and the work site supervisors view the interviews as a way to simulate a job search and provide interviewing practice. Furthermore, the work sites trust matches made by the program staff, and the program staff often share information with the work site about the participant before the interview is scheduled. For this reason, participants generally interview for just one position, although most programs will allow multiple interviews if the first placement does not seem like a good match. For example, the PREP program allows participants to interview for more than one position if it helps them find a placement that is expected to lead to an unsubsidized employment opportunity in three months.

[17] The expansion of individual placements in GoodWorks! has led to an expansion of work sites to a little over a dozen since the time of the site visit.

[18] The programs in Aberdeen and San Francisco occasionally place a transitional work participant in a placement without an interview.

Transitional workers receive paychecks for the hours they work

The programs vary in the level of compensation, the number of work hours required of participants, and the methods used to pay participants. These elements affect how close the experience of transitional work is to that of permanent employment.

Hours and compensation

Transitional work positions are most often part-time, that is, less than 35 hours per week (Table II.2). This allows welfare recipients to adjust to working and to address the personal or family issues that may interfere with work. Most transitional work programs require that participants devote time to education, training, or job search activities in addition to their work hours. In this study, PREP is the only program that does not require additional activities and the only program that allows participants to work up to 40 hours per week. The required work hours for GoodWorks! participants in Augusta change in different phases of the program. Participants work less at the beginning, when they are trying to resolve barriers to employment, and at the end of their placement, when they are searching for unsubsidized work.

A critical element to making transitional work look and feel like unsubsidized work is the hourly wage that participants earn. Like unsubsidized employees, transitional work participants earn a wage for the actual hours they work.[19] The wage level paid to transitional workers in the six programs varies from $5.15 to $8.52 per hour (Table II.2). Most programs pay a single wage—often the state or federal minimum wage—regardless of the participant's background, the work site, or the type of work. The exceptions are GoodWorks!, where wages differ depending on the phase of the program and the work site, and PREP, which uses a three-tiered wage scale that depends on the participant's level of education. In focus group discussions, work site supervisors estimated that the wages paid to transitional workers are at the low end of the wage range paid to regular employees performing similar work.

Unlike regular employees, transitional work participants do not receive employee benefits, such as employer contributions to health insurance or retirement plans. Only the Washington programs provide some limited employee benefits—they provide participants 20 hours of paid leave (for sick leave or vacation) when they are placed at a work site, and 8 hours for every subsequent month they participate in the program. Many of the programs also help participants fill out forms to receive the EITC, and the programs in San Francisco and Tacoma specifically encourage participants to apply for the Advance EITC.

Getting paid for transitional work

For participants, transitional work feels like regular employment because they receive a regular paycheck, although this check does not come from the agency or firm where participants are working. Officially, program participants are employees of the organization responsible for administering the program. As the employer of record, that organization pays participants, deducts the usual payroll taxes (social security, Medicare, and federal and state income taxes), and makes the standard employer contributions (social security, Medicare, workers' compensation, and unemployment insurance).

[19] Program participants in CJP-San Francisco are guaranteed a level of support equivalent to their TANF grant. If earnings fall below the amount of their grant, they receive a stipend to make up the difference.

TABLE II.2
TRANSITIONAL WORK HOURS AND COMPENSATION

	Hours per Week	Hourly Wage[a]	Benefits
PREP Forrest City, AR	30-40	$5.15, $5.50, or $6.00 depending on educational level[b]	None
Community Jobs Program San Francisco, CA	1 parent: 32 2 parent: 35	$6.26[c]	None
GoodWorks! Augusta, GA	Work evaluation phase (3-4 weeks): 20 Work adjustment phase: 28[d]	$5.15 during work evaluation phase Goodwill: average of $6.00 Golden Harvest: $8.52	None
TWC Philadelphia, PA	25	$5.15	None
Community Jobs Aberdeen, WA	20[e]	$6.72[f]	20 hours paid leave initially; 8 hours paid leave accrued per month
Community Jobs Aberdeen, WA	20[e]	$6.72[f]	20 hours paid leave initially; 8 hours paid leave accrued per month

SOURCE: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

[a]At the time of the site visit, the federal minimum wage was $5.15.

[b]PREP participants without a high school diploma or GED receive $5.15 per hour; with a high school diploma or GED, $5.50 an hour; with some college, $6.00 an hour.

[c]Since the site visit, the wage for San Francisco Community Jobs participants increased to $8.00.

[d]After four months in the work adjustment phase, the number of work hours slowly decreases to allow time for participants to focus on job search activities. Since the site visit, hours during the work adjustment phase increased to about 35 per week.

[e]CJ staff can request that a participant work up to 30 hours per week if they think it will be beneficial to the participant's skill development and will lead to unsubsidized employment at the work site.

[f]The wage for Washington State Community Jobs participants is the state minimum wage, which is indexed to inflation and changed from $6.72 to $6.90 on January 1, 2002.

Participants generally begin earning a wage very soon after their initial engagement with the program (Table II.3). In two of the programs—TWC and PREP—participants begin earning wages from their first day in the program while they participant in pre-placement activities. In the Augusta, San Francisco, and Washington programs, participants begin earning wages when they start work at their work site. Until then, participants continue to receive their full TANF grant.

The pay schedules of most programs mirror those for unsubsidized employees—participants are paid bi-weekly or semi-monthly (Table II.3). The exception, the Community Jobs program in Aberdeen, is on a monthly pay schedule. Most transitional workers pick up their

paychecks at the program office. However, some programs have developed systems for delivering paychecks that more closely resemble systems used for permanent employees. TWC and GoodWorks! staff deliver paychecks to individual work sites.[20] The CJ program in Tacoma will mail paychecks directly to the participant, and some participants in the Tacoma program have their paychecks directly deposited into their checking accounts.

ARE TRANSITIONAL JOBS "MAKE-WORK?"

Critics have long characterized publicly funded jobs programs as providing "make-work"—employment that occupies people but has no value to workers or society. Studies of publicly funded jobs programs around the country have not found this to be the case (Ellwood and Welty 1998). Transitional work placements in the six study sites appear to offer real responsibilities and contributions to the work site. The programs pay close attention to whether participants are learning new skills in their placements, and some programs move participants to new placements if this is not occurring. Overall, one of the common refrains we heard from program participants is that transitional work helped them realize that they can be valuable and competent employees.

Transitional work often comes with more supervision and support

The quality of the transitional work experience depends on both the work site and the participant. Some work sites are more committed than others to integrating participants into the regular staff, and to providing them with a valuable learning experience. Similarly, some participants are more prepared and able than others to take advantage of the opportunities provided by transitional work.

"I've never had any job experience in my life…I'm getting quite a bit out of it because they're taking the time to work with me…they treat you like a capable employee."

—Participant in CJ-Aberdeen

Participants' views on their work sites

Overall, the program participants who attended the focus group discussions were satisfied that transitional work helped them learn new skills and gain confidence about working. The transitional jobs helped some participants discover a type of work that they enjoy. One person was pleased that his/her position involves doing manual labor outside and another was happy to work with teenagers. In some cases, however, participants do not find their work sufficiently challenging or interesting, and several people felt that they are not being paid enough or that they should be able to work more hours.

By and large, transitional work participants also felt that they are treated like regular employees. Program participants enjoy the interactions with their work site supervisors and co-workers. Several participants commented that their supervisors make them feel supported, motivated, and valuable. One focus group member said that her colleagues at the work site are "like family," and others talked about how satisfying it is to work with co-workers who appreciate them.

[20] Since the time of the site visit, the TWC program changed this practice. Program participants must now come to the TWC office to pick up their paychecks.

TABLE II.3
GETTING PAID FOR TRANSITIONAL WORK

	Employer of Record	Added to Payroll	Pay Schedule	Paycheck Distribution Location
PREP Forrest City, AR	St. Francis County Workforce Alliance	When application is complete	Bi-weekly	Program office
Community Jobs Program San Francisco, CA	San Francisco Private Industry Council	After 2-week orientation / When work starts	Semi-monthly	Program office
GoodWorks! Augusta, GA	Richmond/Burke Job Training Authority	When work starts	Bi-weekly	Work sites (or receive by mail)
TWC Philadelphia, PA	Transitional Work Corporation	1st day of orientation	Bi-weekly	Work sites[a]
Community Jobs Aberdeen, WA	Coastal Community Action Program	When work starts	Monthly	Program office
Community Jobs Tacoma, WA	Tacoma-Pierce County Employment and Training Consortium	When work starts	Semi-monthly	Program office (or direct deposit or receive by mail)

SOURCE: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

[a]TWC participants now pick up their paychecks at the program office. This practice changed since the time of the site visit.

The stigma of being a welfare recipient and a participant in an employment program can be an issue at some work sites. Some TWC participants felt that they are treated very differently than regular employees, and take particular offense at being referred to as "TWC workers." Several work site supervisors have attempted to minimize this problem by giving participants the title "intern" or "volunteer." It seemed that the larger and more diverse the staff at a work site, the less likely transitional work participants would be singled out. Anonymity at the work site may make participants feel more comfortable, but it can have the unwelcome consequence of less supervision and fewer learning opportunities.

When transitional work participants have a problem on the job, they are expected to stay and resolve it, as would workers in a permanent position. However, participants may change placements. The most common reasons that participants are moved to a new placement is that the first work site no longer offers them appropriate learning opportunities or the participant has an irreconcilable conflict with a supervisor or coworker. It is also possible for a participant to be "terminated" by a work site, which generally leads to a placement at another site. Most programs discourage participants from changing placements, because they want participants to develop healthy work habits, skills in resolving conflicts, and the feeling of extended, steady employment. Only the Washington State programs actually encourage some participants to spend time in more than one placement in order to develop broader skills.

Client expectations about whether the program will lead to a permanent job can have a considerable effect on their experience in the program. Because it is usually not the intent of transitional work programs to provide placements that will lead to permanent unsubsidized jobs, program staff try to help clients set reasonable expectations. Those who understood the temporary nature of the job and the value of the experience in itself were satisfied with their experience. Those who believed that an offer of permanent employment would result from their transitional job were more disappointed. In some cases, these participants felt that they had been used for free labor. They believed that transitional work programs would be more successful if they used only work sites committed to hiring participants at the end of the placement.

The views of work site supervisors

From the perspective of work site supervisors, transitional jobs participants are similar to low-wage, entry-level workers in that they contribute to the work of the organization, but also present problems relating to lack of skills, absenteeism, work habits, and family and personal challenges. Although supervisors believe that these problems are more common and severe among program participants, there are often substantial individual differences. One supervisor commented that transitional employees had included some of the best and worst workers she had ever supervised. Work site supervisors spoke positively of some participants as hard-working, self-motivated, cooperative, and open to learning new skills. Many work site supervisors, particularly in smaller organizations, feel that transitional work participants make significant positive contributions.

In general, transitional workers require more supervision than regular employees. Work site supervisors in San Francisco, Tacoma, and Aberdeen all talked about the added responsibilities that come with transitional jobs participants. These include providing training opportunities, monitoring participant progress, and helping participants work through problems on the job or at home. Many supervisors mentioned that transitional workers have trouble following workplace etiquette and that they arrive at work unkempt and dressed unprofessionally.

While program participants may require additional supervision, the supervisors generally appreciated and made use of the support they receive from the program staff in addressing work-related issues. For example, if someone is not showing up or is acting inappropriately, the work site supervisor can contact program staff. The staff (with or without the supervisor) then work with the participant to identify and address the problem. Because program staff serve as resources and intermediaries when problems arise, the supervisors felt more comfortable taking on participants with obvious challenges.

III Supporting Transitional Workers and Moving Them Into Unsubsidized Jobs

Transitional jobs programs emphasize the intrinsic value of work—embodied in a transitional job—as preparation for the regular labor market. However, the long-term, hard-to-employ TANF recipients in these programs often face substantial barriers, such as lack of transportation and child care, limited education and training, and low basic skills. They also struggle with more significant and, often, less obvious barriers, such as domestic violence, substance abuse, mental health problems, and learning disabilities. Transitional jobs programs attempt to address these barriers, while maintaining a focus on work.

Pavetti and Strong (2001) described transitional employment programs as supported work-based programs that provide formal and informal supports to help hard-to-employ welfare recipients develop productive work habits and general work-coping skills. The six transitional jobs programs studied create a clear pathway to work, with a progression of activities and supports provided during the pre-placement, placement, and post-placement phases. The type and intensity of supports vary considerably across the programs.

PREPARATION FOR A TRANSITIONAL JOB

All six study programs emphasize rapid entry into transitional jobs for two reasons. First, work is the essential training component of these programs and, therefore, is intended to start as soon as possible. Second, many transitional jobs participants have already participated in required TANF job skills and job readiness classes. At most, clients spend two weeks in three types of pre-placement activities: program orientation, screening and assessment, and pre-placement training (Table III.1).

Orientations introduce clients to program operations and supports

As part of program orientations, the staff describe program requirements and supports and review work site placement options and expectations. Clients often meet the staff member who will work with them throughout their program participation and begin to identify specific potential transitional jobs. The programs conduct orientations, usually in group sessions of 3 to 60 clients.[21] But, the PREP program provides orientation during initial individual meetings and participation in the group orientation in GoodWorks! is typically preceded by an individual in-home recruitment and informational session. (Table III.1). In the CJP-San Francisco and TWC programs, an orientation day kicks off a longer one- to two-week training

[21] TWC provides orientation for an average of 60 clients. Most programs provide orientation to substantially fewer clients.

TABLE III.1
PRE-PLACEMENT ACTIVITIES

	Orientation	Formal Screening and Assessment	Pre-Placement Training	Length of Pre-Placement Assessment / Training
PREP Forrest City, AR	Individual	Drug testing prior to July 2001	Mobile training lab prior to July 2001	3-4 days
Community Jobs Program San Francisco, CA	Group	Relies on in-depth assessments from the TANF agency	Orientation and job skills workshop	2 weeks
GoodWorks! Augusta, GA	Individual in-home and group session	Vocational Rehabilitation in-depth assessment Criminal background check Drug testing	Work evaluation phase[a]	Phase lasts 3 weeks, but work begins immediately
TWC Philadelphia, PA	Group	Skills and academic assessments	Orientation and job skills workshop	2 weeks
Community Jobs Aberdeen, WA	Group	Orientation and assessment workshop		1 week
Community Jobs Tacoma, WA	Group	Varies by service provider	Optional job skills workshop (REACH)	3 weeks (15% of clients)

SOURCE: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

[a]Program participants work 20 hours per week in their transitional placement during this phase.

session. CJ-Aberdeen has a week-long orientation and assessment workshop. In two sites—PREP and TWC—clients are paid for the time they spend in orientation.

Screening and assessment help match clients with transitional jobs and determine service needs

To match clients to transitional jobs related to their interests and to identify additional service needs, the transitional jobs programs rely mostly on informal discussions with clients (as discussed in Chapter II) and on the basic assessment information that typically accompanies the referral of TANF recipients. This information generally includes education and employment history, job skills, basic skills, past participation in job-related activities, career interests, and general impressions of the client. At the time of referral, CJP-San Francisco receives results from a targeted vocational assessment (TVA) that is conducted with all CalWORKs participants. The TVA is an in-depth assessment that covers aptitudes, interests, and goal-setting.

Four of the programs conduct their own assessments for some or all clients. CJ-Tacoma (at the discretion of the service provider) and TWC use formal assessment tools during intake or orientation sessions to better define clients' educational and skill levels. Two programs—GoodWorks! and CJ-Aberdeen—require additional in-depth assessments of all clients. In

Georgia, Vocational Rehabilitation conducts an in-depth, one-day assessment of every new client,[22] which includes individual screening instruments, employment interest inventories, and a formal psychological evaluation, and shares the results with the GoodWorks! program staff. Community Jobs clients in Aberdeen participate in a week-long orientation and assessment workshop, where they complete basic skills tests and a series of self-awareness and career-exploration exercises. Results are used to develop service plans for clients.

The GoodWorks! program also screens transitional jobs participants for serious barriers to employment by conducting a criminal background check and a drug test on each participant. The information is used to facilitate resolution or accommodation of outstanding issues. For example, clients who test positive for drugs are referred to substance abuse treatment; if intensive treatment is required, participation in GoodWorks! is deferred. Prior to July 2001, PREP participants in Forrest City, Arkansas, also had to complete a drug screen.[23] PREP staff felt this was an important activity, because many local employers require drug screening prior to employment. TWC conducts drug tests or criminal background checks when the work site requires such procedures before placement.

Pre-placement activities are short and work-focused

Transitional jobs programs do not generally offer lengthy, formal activities before placement in the subsidized position. The three programs that do have structured pre-placement activities consider these activities as the beginning of a training process that continues into the transitional placement period.

Two programs require all clients to participate in an up-front two-week structured workshop, and one program places only some of its clients in a three-week workshop (Table III.1). In TWC, the workshop is the beginning of "work." The program administrator opens the workshop with "Welcome to your first day of work." Clients begin earning their pay while in the workshop; they must dress professionally and behave as if they are in a work setting. In the CJP-San Francisco workshop, clients practice interviewing skills and role-play workplace scenes to learn appropriate behavior. Clients are not paid for their time in this workshop. Both programs have speakers who address problems—such as health, domestic violence, and substance abuse—that can interfere with work. The Community Jobs program in Tacoma refers some of its clients to REACH, a three-week job readiness workshop provided by one of the employment service providers.

The GoodWorks! program takes a unique approach to preparing clients for their job. The program is divided into two main phases: work evaluation and work adjustment. The three- to four-week evaluation phase can be considered a pre-placement activity: clients work at a reduced level (20 hours per week as opposed to 28 hours per week) and work with career development specialists on interviewing skills, job applications, and appropriate workplace behavior. Clients also participate in Work Ethic 101, a classroom experience that introduces and reinforces work skills considered essential for entry-level workers by local business lead-

[22] Vocational Rehabilitation conducts in-depth assessments of all TANF recipients who have been on cash assistance for 30 months or longer.

[23] Funding for drug screening in the PREP program was exhausted in June 2001 and not renewed.

REACHING JOB READINESS

Reaching Employment and Achieving Career Habits (REACH) is a three-week job readiness class offered by Washington Women Employment and Education (WWEE), one of five contracted agencies involved in Tacoma's CJ program. Approximately 15 percent of CJ participants are referred to REACH. The program conducts an in-depth assessment of clients and teaches workshops on topics such as self-esteem, behavior in the workplace, personality types, dressing for work, domestic violence, and basic computer skills. Every person who participates in REACH is monitored monthly for up to two years.

ers. During this time, an in-depth assessment also occurs to determine the client's needs and level of employability. The end of the work evaluation is marked by a formal case conference and development of an individualized service plan.[24]

Some pre-placement activities are less structured than those already described. Prior to July 2001, all PREP clients worked on a computer to complete a self-paced course on topics such as work culture, resumes, interviewing skills, and general life skills. Clients also participated in workshops on consumer credit and substance abuse.[25] Contractors provided these pre-placement services.

SUPPORTS AND SKILL-BUILDING DURING THE TRANSITIONAL JOB PLACEMENT

To complement and support the transitional job experience, the programs provide various case management services and skill-building activities. The decisions that programs have made in four key areas—work site supports and monitoring, staff support, education and job-skills training, and supportive services—reflect their targeted population and program emphasis.

Work site supervisors teach job skills and workplace norms

Client experience at the transitional job is the essential component of transitional jobs programs, and the programs rely on the work sites to improve each client's work skills and behaviors. Every program requests that work sites assign the participants to specific individuals who can serve as supervisors or mentors. Work site supervisors assist clients in learning basic job skills (e.g., faxing, filing, phone use, computer skills) and in acquiring healthy workplace behaviors (e.g., being on time, dressing appropriately, and communicating with coworkers). Participants said that work site supervisors are also helpful in identifying job leads and providing references.

[24] Case conferences include the client, GoodWorks! staff, the work site supervisor, and workers from other agencies, as appropriate (e.g., Vocational Rehabilitation, Department of Labor, welfare agency, welfare-to-work provider, etc.).

[25] All pre-placement activities in the PREP program were eliminated June 30, 2001, due to funding constraints. Clients are now immediately linked to their work placement.

Work site supervision ranges from intensive to ordinary, that is, similar to that received by regular employees. At one end of the spectrum is the GoodWorks! program that assigns clients to group placements within Goodwill Industries or Golden Harvest, where the primary job of supervisors is to improve the skills and work habits of hard-to-employ and disabled populations. This approach may make particular sense in Augusta, because this program targets the longest-term TANF recipients (30 months) who have been out of the workforce. In the other sites, supervision of program participants is not the primary job of work site supervisors, but is part of their job just as is supervision of any other employee.

The programs use input from work site supervisors to gauge client progress. Supervisors' assessments are brief and similar to staff performance reviews in that they generally cover overall performance, areas in need of improvement, and areas of particular achievement. In the PREP program, staff request that work site supervisors complete a brief form and submit it, along with participant timesheets, every two weeks. The other programs generally collect job performance information in on-site meetings with the client and work site supervisor. In Aberdeen, for example, these meetings occur monthly; in San Francisco, program staff are encouraged to have weekly contact on-site with the supervisor and client. Program participants seem to appreciate this time for feedback. One participant said, "It's neat to hear some positive stuff about you, and to have your job coach praise you on new things you have learned."

TWC WORK SITE AGREEMENTS

TWC has a formalized approach to working with work sites. Employers involved with the TWC program sign an agreement indicating that they will develop and expand the participants' skills. In exchange for enhanced supervision of program participants, work sites receive $49 per month for each program participant. Supervisors are invited to participate in monthly three-hour training sessions to learn strategies for handling specific client issues and to share their experiences as a work site.

Work site supervisors struggle with decisions about how much and what types of support to provide to transitional jobs participants. They must balance the value of making special allowances for transitional jobs participants against the perception that doing so is unfair to regular employees. Program participants also have mixed views on whether they should be treated differently. Some participants appreciated the flexibility their supervisors gave them, for example, in arranging work hours around their children's school drop-off and pick-up times. Others felt that supervisors' leniency can encourage bad work habits. Across the programs, the supervisors with whom we spoke said that the support provided by program staff to them and directly to program participants helps ease these concerns.

Case managers provide personal and work supports

Participants fear working because they might fail and because they fear losing the support and security of welfare. Case managers in transitional jobs programs offer personal

encouragement to relieve these fears, teach healthy workplace behaviors and life skills to strengthen clients' capacity to work, and coordinate supportive services. To accomplish this, the six transitional jobs programs have low client-to-staff ratios and a high frequency of contact (Table III.2), a situation much different from that of other TANF employment programs. In each program, clients are assigned to one or two staff members, who may be called marketing specialists, personal advisors, career advisors, case managers, job coaches, or program counselors (Table III.2). There is considerable variation among the programs in the type and intensity of support they offer.

TABLE III.2
CHARACTERISTICS OF CASE MANAGEMENT

	Caseload Size	Frequency of Contact	Case Management Position	Minimum Staff Qualifications
PREP Forrest City, AR	25-30	Twice a month	Marketing Specialist	High school diploma
Community Jobs Program San Francisco, CA	20-25[a]	Weekly	Case Managers	B.A. or work experience in social work, psychology, or sociology
GoodWorks! Augusta, GA	~15[a] ~25[a]	3-5 times a week 3-5 times a week	Personal Advisors Career Development Specialists	B.A. B.A.
TWC Philadelphia, PA	~35	At least weekly	Career Advisors	B.A.
Community Jobs Aberdeen, WA	18-25	Twice a week	Job Coaches	High school diploma, 3 years work-related experience
Community Jobs Tacoma, WA	~30	Weekly	CJ Counselors	High school diploma

SOURCE: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

[a]Caseloads include clients in work placement and those receiving retention services while in unsubsidized employment.

Intensity of case management

The site that targets the longest-term TANF recipients offers the most intensive support. In the GoodWorks! program, each personal advisor supports no more than 15 program participants in their homes and at their work site, and is available 24 hours a day, 7 days a week. Advisors describe their job as "doing whatever it takes to help people get and keep a job." This includes obtaining legal help, attending school meetings for children with behavioral problems, and teaching clients basic life and problem-solving skills, such as budgeting, time management, communication, and personal hygiene.

Two other sites also have an intensive approach to case management. CJP-San Francisco case managers work with 10 to 12 clients in the orientation and work placement stage and 10 to 13 in the retention stage, for a total caseload of 20 to 25. Administrators and case managers alike believe that they should never give up on a client; they make every effort to engage them in program activities and to assist them in overcoming barriers to employment. Job coaches in Aberdeen describe their role as a "mentor" and "resource tool" for clients. Job coaches see clients at least twice a week and may visit at home clients who are particularly struggling. They believe that their job includes assisting clients with problem-solving skills; they may, for example, teach clients to read a bus schedule or coordinate their child care arrangements.

While still maintaining frequent contact with clients, case managers at the three other sites are less aggressive in providing services. The TWC program stresses a business culture and tries not to focus on clients' personal problems, though staff will help when those problems interfere with work. In the PREP program, where there is only one full-time staff member, clients are assigned volunteer job mentors from the community. All the programs make use of "payday" and of work site visits to keep in touch with clients.

Program participants overwhelmingly expressed gratitude and appreciation for the support from their case managers. Most participants felt that the frequency of contact and level of support was appropriate for them. Participants generally described case managers as counselors, friends, even like family. A few participants described the qualities that make a good case manager: stability, consistency, having a "backbone," caring for clients, and respecting clients. For individuals who have had few successes in their lives and limited or negative support networks, case managers provide critical encouragement, guidance, and praise. "He (job coach) was good at boosting me (up) and making me feel like I could do it," explained one client. Another said, "They let you know your value and what you're actually worth."

Team approaches to case management

Case management is often provided in teams, particularly in the programs targeted to longer-term TANF recipients. CJP-San Francisco and GoodWorks! make use of case conferences, which can include program staff, clients, work site supervisors, and service providers from other agencies; together, they develop employment plans or solve specific client needs. In the GoodWorks! program, personal advisors, career development specialists, and the client may meet to resolve barriers to employment or teach the client alternative ways to resolve conflicts at work. Collaborative staff approaches in TWC and in CJ-Aberdeen allow staff to help each other solve especially difficult problems and, when necessary, to "fill in" knowledgeably with clients. The team approach requires coordination and collaboration, but generally seems to improve the quality of services.

Staff qualifications and case management challenges

The depth and breadth of experience of case managers often influence their dealings with hard-to-employ clients. Case managers come from a variety of backgrounds, including social services, retail, hospitality, and law enforcement. Administrators believe that these backgrounds prepare case managers for handling stressful situations and "tough customers."

The three programs specifically targeted to long-term TANF recipients—TWC, CJP-San Francisco, and GoodWorks!—tend to hire staff with bachelor's degrees (Table III.2). Other programs have hired former program participants.

Case managers indicated that they are often uncertain about the right amount of support to provide: too much may inhibit self-sufficiency, too little can leave clients floundering and deter participation. As a result, the level and types of support provided by staff, even within the same program, can be inconsistent. It appeared to depend, not only on the different needs of clients, but also on the skills, abilities, and experience of individual staff members.

Some case managers struggled with the personal stress and burnout that comes from serving clients with complicated lives. Staff talked about dealing with abusive partners interrupting the client's work place, working with suicidal clients, and attending court hearings for clients involved with child protective services. Some staff suggested that training on handling crises and on addressing particularly sensitive topics—such as mental health, substance abuse, and domestic violence—would improve their confidence and effectiveness in approaching difficult situations.

Job skills training often accompanies transitional work

According to Strawn and Martinson (2000), the pairing of education and training with employment improves access to better jobs for low-income parents. Most of the programs require that clients participate in activities such as job readiness/life skills workshops, job skills workshops and training (e.g., computer classes and on-the-job training), and basic education (e.g., GED and English as a Second Language) (Table III.3). In Washington State, CJ participants, as TANF recipients, are required to supplement their transitional job with 20 hours per week of job search, education, or training activities to meet the 40-hour per week state work requirement. CJ case managers in Aberdeen and Tacoma coordinate and monitor client participation in these activities but the additional training activities are not directly integrated into CJ program activities.

The programs targeted to long-term TANF recipients tend to have structured training activities that are integrated into program services and are provided directly by the programs. These training activities are extensions of those in the pre-placement period. TWC requires that all clients attend 10 hours a week of professional development training. CJP-San Francisco is moving to a model that will decrease the number of work hours in the placement (from 32 to about 20 per week), and require participation in job-related activities for 12-15 hours, with wages paid for both. Given its intensely supported work environment, the GoodWorks! program places less emphasis on additional training activities, and requires about 4 hours per week in structured job search/job readiness classes.

TWC and CJP-San Francisco try to structure training around client needs. In TWC, eight of the ten hours focus on skill-building activities for soft-skills (e.g., resume writing and job search) and work related skills (e.g., computer classes). Program staff use input from work site supervisors to determine what skills participants need. The other two hours are devoted to individualized academic support, such as GED classes and ESL. In CJP-San Francisco, job-related

activities include self-sufficiency workshops, computer training, mental health counseling (up to four hours), basic life skills classes, and English as a Second Language (ESL) classes.[26]

Participants sometimes disagree with the training structure that programs have established. TWC participants want flexibility, for example, to work more hours in their placement or take courses at the community college. Program staff, however, feel that the professional development hours are important not only for skill development, but for increasing opportunities for staff and clients to talk about job interests, next steps, and anything else that may be relevant. In GoodWorks!, participants generally were not interested in the training, largely because they do not get paid for this time and did not want it to interfere with their required work hours.

Supportive services are generally coordinated through the TANF agency

Any employment program targeted to low-income individuals must address many client needs: car repairs, gas vouchers, bus passes, alarm clocks, haircuts, work-related equipment and clothing, driver's licenses (and fines), and eyeglasses are a few examples. Programs focused on long-term, hard-to-employ TANF recipients may also need to provide more specialized services, such as substance abuse treatment, mental health counseling, and assistance with domestic violence issues.

Transitional jobs programs generally work with the local TANF agency and rely on existing systems for supportive services, rather than providing such services directly. While in their transitional job, participants continue to receive basic assistance, such as, for child care, transportation, Medicaid, and food stamps.[27] Case managers in the transitional jobs programs and TANF case managers cooperate to ensure that clients have access to supportive services, particularly child care and transportation assistance. In some programs (GoodWorks! and TWC), TANF case managers meet clients at the work site or at the program office to ensure clients' continued access to these services.

In some sites, the transitional jobs program staff distribute supportive services funds—cash (or equivalent) provided through the TANF program—directly to program participants. For example, TWC staff distribute monthly "transpasses" to program participants to assist with transportation expenses. In Washington State, CJ case managers can distribute funds available to all TANF recipients, including CJ participants, for items such as car repairs, diapers, hygiene products, household supplies, children's school clothes, car insurance, and counseling services.[28] CJ staff are generally more aggressive in obtaining these funds for clients than welfare case managers.

[26] Relative to the other programs, San Francisco has a sizable proportion of non-English speaking program participants.

[27] As income increases through transitional jobs, a participant may receive less assistance from programs that use income criteria to determine the benefit level. For example, with earnings from a transitional job, a participant's TANF grant and food stamps decrease. The amount of child care subsidy received may also be affected in states that base child care assistance solely on income.

[28] The allotment for supportive services per TANF recipient in Washington is $3,000. Prior to July 2001, CJ case managers were able to authorize and distribute assistance up to this full amount to CJ participants. After July 2001, the amount that CJ case managers can authorize was reduced to $600. CJ participants can access supportive services dollars beyond that amount through their TANF case manager.

TABLE III.3
PROGRAM ACTIVITIES BEYOND TRANSITIONAL WORK HOURS

	Activities Beyond Work Hours	Required Hours Per Week	Paid or Unpaid	Optional Activities
PREP Forrest City, AR	None	n.a.	n.a.	
Community Jobs Program San Francisco, CA	Client choice among classes on self-sufficiency, ESL, Adult Basic Education, mental health, substance abuse, life skills, basic computer skills	12-15	Paid	Jobs Plus Club
GoodWorks! Augusta, GA	Work Ethic 101, computer classes, GED	4-5	Unpaid	"Inspirations" support group
TWC Philadelphia, PA	Professional development training (job readiness), GED/ESL	10	Unpaid	
Community Jobs Aberdeen, WA	Job search activities/training	20	Unpaid	Monthly life skills workshop
Community Jobs Tacoma, WA	Job search activities/training	20	Unpaid	Varies by service provider

SOURCE: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

Participants in PREP and GoodWorks! usually move off TANF assistance once enrolled and have less access to supportive services. Both programs have arranged van services to help clients get to and from work. Unfortunately, this service was discontinued in the PREP program in the summer of 2001 due to funding constraints. The PREP program does, however, offer participants other supportive services that the administering agency provides to all qualifying low-income individuals. These include a car purchase program, assistance with car repairs, and a scholarship fund for post-secondary education. The GoodWorks! program helps participants establish independent transportation plans through car purchase programs, the use of public transportation, ride-sharing, or walking to work.

The process is similar for linking clients with specialized services. If a transitional jobs participant has a potential substance abuse or mental health issue, for example, the participant is generally referred back to the TANF agency, where a direct connection to services is made. GoodWorks! and PREP function somewhat differently, because they serve a largely non-TANF population (after program entry). In GoodWorks!, program staff directly refer clients to specialized services. The PREP program contracts with local providers for a few specific services, such as consumer credit counseling and substance abuse counseling.

MOVING PARTICIPANTS INTO UNSUBSIDIZED JOBS AND HELPING THEM STAY EMPLOYED

To increase the likelihood that TANF recipients will find and keep unsubsidized employment and move off of public assistance, the transitional jobs programs require participants to begin searching for unsubsidized employment before the end of their work placement. However, the programs take different approaches to whether and how they provide job search and retention services.

Job search begins about halfway through transitional work

In every program, clients receive some individualized job search assistance from the staff of the transitional jobs program or of collaborating agencies. Job search activities resemble those provided in other TANF employment programs, including job readiness workshops, job clubs, soft skills training, and structured, independent job search. Clients may also use computerized job banks, job boards, answering services, resume assistance, and fax machines.

To improve the rate of job placement, the programs now require clients to begin job search activities earlier than in the past. For example, the GoodWorks! program implemented "phasing": after four months in the placement, the number of work hours decreases and the required hours for job search activities increases. This structure was necessary because clients were getting comfortable in their placements at Goodwill and not seeking permanent employment, even as they approached nine months in the placement. In the pay-for-performance contracts for FY 2002 in Washington, Community Jobs programs are paid $260 more if a participant leaves for unsubsidized work before completing nine months in the program. As a result, CJ-Tacoma moved up the start of required job search activities from six months after beginning the work placement to four months.

Requiring early job search activities has its tradeoffs. Participants have more chance to benefit from staff support when practicing job search skills or facing possible rejection. However, finding a permanent job quickly may defeat the purpose of transitional jobs. Many program participants, with their lack of work experience, need time to gain the skills, confidence, and work record necessary for steady employment.

Unsubsidized job placement assistance is provided largely by other entities

Transitional jobs programs largely rely on other entities to provide job development and placement services to clients. We identified three general approaches to job placement services: (1) integrating services within the transitional jobs program, (2) coordinating services with other partner agencies, and (3) providing transitional placements that become permanent (Table III.4).

TWC is the only program that has its own staff for job development and placement. Job developers are part of case management teams, and, in the weekly team meetings, clients discuss job leads with them. TWC administrators believe that this early and on-going interaction produces jobs that better match clients' skills and interests; the program staff and participants agree that in-house placement services are a key to the program's success. TWC participants appreciated the one-on-one meetings with job developers, and they felt that job developers really took account of their skills and interests when recommending job opportunities.

TABLE III.4
JOB PLACEMENT AND RETENTION ASSISTANCE

	Job Placement	Job Retention	
		Location of Services	Length of In-house Services
PREP Forrest City, AR	Hired through placement or referred to one-stop employment center	Possible through volunteer mentors	
Community Jobs Program San Francisco, CA	Department of Human Services staff on-site at Goodwill Industries	In-house CJP Case Managers	1 year
GoodWorks! Augusta, GA	Department of Labor, Richmond County Job Training Authority staff and Goodwill Career Development Specialists on site at Goodwill Industries	In-house GoodWorks! Personal Advisors	2 years
TWC Philadelphia, PA	In-house TWC Job Developers	In-house TWC Retention Career Advisors	6 months
Community Jobs Aberdeen, WA	Referred to Gray's Harbor Career Center (Department of Employment Security)	Possible through Dept. of Employment Security	
Community Jobs Tacoma, WA	Referred to Department of Employment Security	Possible through Dept. of Social and Human Services	

SOURCE: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

Other programs have entered into partnerships with existing services to avoid duplication of effort. For example, when they start looking for a permanent job, participants in the CJP-San Francisco program and both Washington programs are referred to the employment services agency for TANF recipients.[29] However, staff across the programs felt that such arrangements made it more difficult to monitor clients' participation in job search activities. They were concerned that some clients were "falling through the cracks." CJP-San Francisco tries to address this problem by bringing DHS employment services to participants at the program site (primarily Goodwill Industries). Similarly, GoodWorks! arranges for job developers from the Department of Labor (DOL) and the Richmond County Job Training Authority (JTA) to co-locate at Goodwill Industries, the primary GoodWorks! employment service provider. Staff from these agencies work together with Goodwill Career Development Specialists to conduct job search and job readiness workshops, create individualized employment plans for clients, and develop job opportunities with employers.

The PREP program attempts to match clients to job placements that will become permanent, which reduces the need for job search assistance and placement. This succeeds for nearly

[29] For the first two years of the CJP-San Francisco program, CJP staff at the service delivery agencies were responsible for job placement services. The arrangement with DHS was instituted in the summer of 2001.

half (46 percent) of PREP participants.[30] Those who are not hired by their transitional work site are referred to the local one-stop employment center for job search assistance.

Job retention assistance is still being defined

As relatively new programs, the programs studied have concentrated on refining the transitional work experience. Only half the programs provide job retention services (Table III.4), and, like other TANF employment programs, they are struggling with how to define and structure them.

Georgia GoodWorks! developed the most extensive retention program. Personal advisors and Career Development Specialists team together to work with clients for up to two years after they obtain unsubsidized employment. They provide the same services and support that they do during the work placement, but gradually decrease the intensity of services. In Philadelphia, TWC retention career advisors work with between 35-50 clients for up to six months after they begin working. They talk with clients about their job and work-related issues. Community Jobs participants in San Francisco are contacted at least monthly for one year after becoming permanently employed. Case managers ensure that clients are receiving transitional benefits such as child care, transit passes, and MediCal.

Both TWC and CJP-San Francisco provide monetary incentives as part of their job retention strategy. TWC program participants receive $200 at the start of unsubsidized employment, $200 at 60 days, and $400 at 180 days. The incentives are less generous and more spread out in the CJP-San Francisco program. Clients receive $25 when they begin at their work site, $25 when they start an unsubsidized job, and $50 after one year of employment. There is little research thus far that suggests that incentive payments influence clients' program participation or employment decisions (Hill and Pavetti 1999). Both programs are still experimenting. TWC moved the largest payment ($400) from the start of employment to 180 days of employment in order to provide a greater incentive for retention. CJP-San Francisco decreased the total amount of its payments, largely due to budgetary pressures.

Programs that do not provide formal job retention services often have other supports for former clients. PREP participants are assigned a volunteer mentor from the community to help with the transition into permanent employment. In Aberdeen, program staff often maintain informal contact with clients, a carryover of the personal relationship that often develops between client and case manager.

Clients appear to welcome job retention assistance. A GoodWorks! client said, "They don't want you to lose your job." Employed clients in TWC and Aberdeen also viewed program staff as a source of guidance and support. In contrast, participants in the CJ-Tacoma group do not have continued contact with program staff and felt that, once employed, they had no one with whom to talk about the challenges of working and raising children.

Transitional jobs programs provide experiences, resources, and supports to help clients get and keep a job. However, program staff and clients alike said that a client's success ultimately depends on the client. Program staff believe that providing support is a collaborative

[30] Based on analysis of program MIS data.

process between staff, work site supervisors, and clients, requiring a commitment from all parties. They believe that only the combination of external supports and the clients' own desire to succeed will improve the likelihood of clients overcoming barriers and achieving their employment goals.

IV. Organizational Framework and Resources for Transitional Jobs Programs

Beginning a transitional jobs program was an ambitious task for the six study sites. At the time, little information existed about transitional jobs for TANF recipients. All the programs required the collaborative efforts of public, non-profit, and, to a lesser degree, private partners, and they took different approaches and made different decisions about program administration, funding, and staffing structures in order to accommodate different policy environments, local resources, and client needs. In this chapter, we discuss the elements that contributed to those decisions.

PROGRAM DESIGN

Because transitional jobs programs serve TANF recipients, they are intricately connected with public welfare and employment agencies. None of the programs, however, were designed to be publicly administered. The programs were all developed through public-private partnerships, some initiated at the state level, others with more local roots.

Program development occurred at both the state and local level

In half the sites, local concerns guided the initiation of transitional jobs programs. In the other half, state administrators played a significant role in getting pilot programs started; but even then, there was a high degree of local discretion in decision-making.

Administrators of the state-initiated programs in Washington and Georgia feel that the programs have benefited from state-defined program structures with room for local flexibility. Washington State's Department of Community, Trade and Economic Development played a significant policymaking role for the CJ programs in Washington. Key program decisions—such as eligibility requirements, type and level of support services, and length of placements—were determined by this public agency. Therefore, they are fairly consistent statewide.[31] However, the Request-for-Proposal (RFP) process allowed each site to develop its own approach to service delivery. In both Aberdeen and Tacoma, a consortium of local public and private agencies—including the nonprofit service providers and the Departments of Employment Security (DES) and Social and Human Services (DSHS)—developed the details of day-to-day operations. State administrators continue to provide technical assistance to the two sites.

Due to greater devolution of responsibility in Georgia, program planners in Augusta made more design decisions for the GoodWorks! program. Local representatives from the state's Department of Family and Children's Services, the state's Department of Labor and its

[31] Some policy flexibility has been given to local administrators. They may, for example, set the length of transitional placements for a period shorter than the state-determined nine months.

Division of Vocational Rehabilitation, the county's Job Training Authority, and Goodwill Industries worked collaboratively on the pilot program.[32] They made decisions about the types of placements, wages, and the phases of transitional work (the work evaluation and adjustment phases). As in Washington State, program administrators suggested that the technical assistance and financial and programmatic support from the Department of Labor, coupled with the flexibility given to local planners, have been major reasons for the success of GoodWorks!

The three other programs—CJP-San Francisco, PREP, and TWC—were developed as local programs, but still involved public program administrators to varying degrees. In many ways, program development in San Francisco resembles the state-initiated programs, because California has a county-administered public welfare system. The Department of Human Services in San Francisco, the county TANF agency, developed the design elements—types of placements, length of placements, wages and hours—of a transitional jobs program that local organizations would use. The key non-profit service provider, Goodwill Industries, has had discretion over staffing structures and day-to-day administration.

Independent local planning groups that included, but were not led by, state or local public welfare administrators, developed PREP and TWC. In St. Francis County, Arkansas, a coalition of political, business, and community leaders on the local welfare reform planning committee (the Transitional Employment Assistance Coalition) developed the framework for the PREP program. In Philadelphia, TWC was developed by a group of local, state, and private actors. Philanthropic and nonprofit organizations took a larger role in the development of TWC than in other programs. The Pew Charitable Trusts and Public/Private Ventures, a national nonprofit research and technical assistance organization, contributed to program design and remain closely involved. In both programs, public welfare administrators made significant contributions to design decisions and continue to contribute to operational decisions, particularly in the TWC program.

Business and union leaders were consulted on program implementation

Many of the programs sought input from business and union leaders to address displacement concerns and to gain support from future employers and coworkers of program graduates. Both the PREP and CJ-Aberdeen programs included business leaders in the local planning groups that decided the details of service delivery. A business advisory council made up of Human Resource professionals and plant managers helped the GoodWorks! program design their work readiness curriculum (Work Ethic 101).

Developers of TWC, CJP-San Francisco, and CJ-Tacoma consulted with union officials when developing placement sites for transitional workers. Public union representatives in San Francisco urged the program to pay participants union wages for work performed in public agencies. These wages were higher than program planners had planned. As a result, CJP-San Francisco relies largely on placements in nonprofit organizations, rather than public agencies. Public unions in Aberdeen and Philadelphia were concerned about displacement. Program administrators in these areas have reached agreements with unions, so that, for example, TWC

[32] Goodwill would be the primary service delivery agency once the program began implementation, although another employment services contractor joined the program in mid-2001.

does not place participants in certain job classifications. In both areas, there was early and frequent communication with unions; now that placements are largely developed and union concurrence received, these discussions are less necessary.

ADMINISTRATIVE STRUCTURE

Responsibility for day-to-day service delivery and program administration generally lies with non-profit agencies (Table IV.1). The administrative structure ranges from a highly independent administering agency to a collaborative approach to program administration and service delivery.

Independent program administration leads to a self-contained transitional jobs program

In some sites, a highly independent administering organization controls all major program elements with a minimal need to coordinate operations with public or private agencies. For example, the Transitional Work Corporation was created specifically for the purpose of administering the transitional jobs program. Until early 2001, the program relied on an intermediary agency for client referrals and job placement and retention support. After that, TWC staff became responsible for all major facets of the program: orientation, placement development for subsidized jobs, case management and job coaching, job development for unsubsidized jobs, and retention support. Program staff and administrators feel strongly that having internal control of the entire program has improved service delivery.

Although it is a far smaller and less complex program, PREP also offers a model of an independent administering agency. The program is administered by the St. Francis County Workforce Alliance, which has a few staff members (only one is currently dedicated to the program full-time) performing all the basic program functions. However, because it is smaller and with fewer resources, the program cannot independently offer the breadth of services that TWC does.

Collaborative program administration builds on existing services

The four programs that had strong collaborations between non-profit and public agencies in the planning stage—CJP-San Francisco, GoodWorks!, CJ-Aberdeen, and CJ-Tacoma—generally carried these collaborations through to program implementation and administration. This allowed the programs to draw on the strengths of the partners—between two and five in number—and avoid duplication of services. In CJ-Tacoma, five non-profit service providers—each with experience serving distinct groups of clients—collaborate to serve a broader range of clients more effectively. The GoodWorks! program builds on a system of existing services that were linked together to create the transitional jobs program.

There are some disadvantages to a collaborative approach. Communication and coordination among many service providers and contracting agencies are often complicated. Disagreements over "turf" can create a sense of competition. The programs have tried to address these issues. Regular meetings of the GoodWorks! "agency council" and of collaborative partners in the CJ-Tacoma program ensure, at least, periodic communication. In CJP-San Francisco, the Department of Human Services designated a staff person to serve as a liaison to improve communication and coordination between the two service providers and the department.

TABLE IV.1
PROGRAM ADMINISTRATION

	Primary Contracting Agency	Administering Agency	Employer of Record
PREP Forrest City, AR	Transitional Employment Assistance (TEA) Coalition	St. Francis County Workforce Alliance (WFA)*	WFA
Community Jobs Program San Francisco, CA	San Francisco Department of Human Services	Goodwill Industries* Asian Neighborhood Design* San Francisco Private Industry Council (PIC)	San Francisco PIC
GoodWORKS! Richmond, GA	State Department of Labor	State Division of Family and Children's Services Vocational Rehabilitation (DOL) Richmond/Burke Job Training Authority (JTA) Goodwill Industries of Middle Georgia and the CSRA* Golden Harvest**	JTA
TWC Philadelphia, PA	Philadelphia Workforce Development Corporation Pew Charitable Trusts	Transitional Work Corporation (TWC)*	TWC
Community Jobs Aberdeen, WA	State Department of Community, Trade, and Economic Development (CTED)/Office of Trade and Economic Development (OTED)	Coastal Community Action Program (CCAP)*	CCAP
Community Jobs Tacoma, WA	State Department of Community, Trade and Economic Development (CTED)/Office of Trade and Economic Development (OTED)	Tacoma-Pierce County Employment and Training Consortium Goodwill Industries* Metropolitan Development Council* Puget Sound Educational Service District* Pierce County Community Action* Washington Women Employment and Education*	The Consortium

SOURCE: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

*Indicates direct service providers

Employer of record is often determined by the funding structure for participant wages

In the four sites that use TANF funds to pay participant wages—TWC, PREP, CJ-Aberdeen, and CJ-Tacoma—the lead administering agency serves as employer of record for program participants (Table IV.1). The employer of record administers the payroll for program participants, including paying payroll and workman's compensation taxes. The employer of record also assumes liability for any work-related incidents.

Two sites use the Welfare-to-Work/Workforce Investment Act grantee agency (formerly known as Private Industry Councils (PIC), now as Workforce Investment Boards) to perform

this function because of the initial funding structure for participant wages. CJP-San Francisco uses TANF grant diversion (rather than a straight allocation of TANF funds) as its primary source for participant wages.[33] Through grant diversion, the value of a participant's TANF check is transferred to the employer of record for payment of wages. Any shortfall between the wages and the TANF benefit is made up by another funding source (WtW or general city revenues). Because of the complexity of this arrangement, program administrators asked the San Francisco PIC to serve as employer of record. For the GoodWorks! program, the Richmond/Burke Job Training Authority (JTA) serves as employer of record. During the pilot stage, participants' wages came from WtW funds channeled through the JTA, which then took on the role of employer of record. This arrangement has continued, even though participant wages are now funded with TANF dollars.

FUNDING STRUCTURE

Transitional jobs programs generally rely on public funding flowing through welfare or workforce agencies. At the time the programs were initiated, declining caseloads made available more TANF funds to benefit hard-to-employ TANF recipients. At the same time, Welfare-to-Work (WtW) funding was specifically targeted toward the same population. The funding picture is now changing, and the programs may need to compete with other services for a more limited funding pool.

Payment mechanisms present tradeoffs between consistent cash flow and promoting performance

Cost reimbursement offers programs stability in cash flow, but pay-for-performance provides greater accountability to contracting agencies. Three of the six programs in this study—CJP-San Francisco, TWC, and PREP—are paid by their contracting agencies through cost reimbursement. Georgia's GoodWorks! has performance-based contracts: the state pays administering agencies as clients reach certain milestones—up to $8,700 per participant in FY 2002 (Table IV.2). Washington's CJ programs have a hybrid funding structure that attempts to combine the accountability of pay-for-performance with some consistent flow of funds to administering agencies. Agencies receive 45 percent of the payments for the first and second milestones in monthly installments before the milestones are actually reached. In FY 2002, the total funding possible per participant is $2,800.

Programs rely on TANF and, to a lesser degree, on Welfare-to-Work funding

The programs use three types of TANF funds—time-limited allocations, "reinvestment" funds from savings from declining caseloads, and individual TANF grant diversions. PREP has relied largely on an allocation of TANF funds administered by the local welfare reform planning group. CJP-San Francisco relies on its TANF/CalWORKs county allocation to fund CJP services. The Washington State CJ programs—the only ones funded exclusively by TANF—use TANF reinvestment funds that were made available, as caseloads declined, for

[33] In Tacoma, the PIC agency is the lead administering agency, coordinating the services of five non-profit providers. The agency also serves as employer of record.

TABLE IV.2
PAYMENT POINTS FOR PERFORMANCE-BASED CONTRACTS, FY2002

Community Jobs Washington State		GoodWorks! Augusta, Georgia	
Participant Engagement	$630	Participant Enrollment	$400
Worksite Development and Participant Enrollment	$630	Completion of Work Evaluation Phase	$700
		Movement off TANF	$250
5-Month Participation Benchmark	$740	Phase I—Work Adjustment (max. of 3 months)	$400 per month
Completion of Program	$540		
or		Phase II-Work Adjustment (max. of 3 months)	$300 per month
Departure for Unsubsidized Employment	$800		
		Phase III-Work Adjustment (max. of 3 months)	$250 per month
Total	$2,540 or $2,800		
		Placement in Unsubsidized Job	$900
		Individual Job Coaching	$800
		Job Retention (max. of 4 quarters)	$700 per quarter
		Total	$8,700[a]

SOURCE: Washington State Office of Trade and Economic Development (OTED); Georgia State Department of Labor and Goodwill Industries of Middle Georgia and the CSRA.

[a]GoodWorks! receives an additional $300 per client as reimbursement for training materials ($100) and customer gift certificates ($200) given at unsubsidized job placement.

purposes other than cash grants. CJP-San Francisco is the only program that uses TANF funds in the form of individual grant diversion, a reliable source for participant wages, but a complex administrative undertaking.

Three of the programs—GoodWorks!, CJP-San Francisco, and TWC—have also made use of WtW formula or competitive grants. GoodWorks! relied on WtW money during its pilot phase, though it turned to TANF funds when the program expanded statewide in early 2001. CJP has used WtW funds to supplement TANF funding for participant wages, when participants could meet WtW eligibility criteria. TWC will continue to use WtW formula funds for program operations through July 2002.

Local public funding has supported the CJP-San Francisco and TWC programs. CJP-San Francisco uses local general revenues to supplement participant wages and to meet other program costs. TWC receives funding from the Mayor's discretionary fund.

The programs are increasingly concerned about future funding, because WtW funding is ending and TANF funding is becoming less certain. For example, TANF reinvestment funds used in the Washington State may decline, if TANF caseloads increase. Recent changes in the economic outlook and rate of caseload decline have already placed the Washington CJ programs in a "no-growth" status. PREP's TANF allocation will last through the spring of 2002, and staff are seeking additional federal and private funding to continue the program. Similarly, TWC's TANF and WtW funds will last until July 2002.

Foundation funding assists in program development and special projects

Some programs have received support from private foundations, largely for start-up efforts and special projects. Foundation funding was critical in the start-up stages of PREP and TWC. PREP program developers were able to leverage a $100,000 grant from the Foundation for the Mid-South to gain wider financial support from the state for operational expenses. TWC received early financial and technical support from the Pew Charitable Trusts. TWC is unusual in that it continues to receive foundation funding for operational expenses—about 10 percent of its funding for FY 2002. CJP-San Francisco has gained funding from various foundations for specific tasks such as conducting a program evaluation, establishing a vocational English-as-a-Second-Language program, developing a management information system, and creating recruitment materials.

STAFFING STRUCTURE

Staff size depends on program size and breadth of services

While the program serving the fewest participants (PREP) has the smallest staff size and the largest program by participant numbers (TWC) has the largest staff, staff size does not consistently vary with program size (Table IV.3). CJ-Tacoma, for instance, serves almost as many clients as TWC, but has only about a quarter as many staff; TWC provides a broader range of services—including required pre-placement training, integrated skill-building training, and unsubsidized job placement and retention—than CJ-Tacoma. CJP-San Francisco has a relatively large staff, because, like TWC, it provides a wide range of services. The program has also been required to maintain excess service capacity in anticipation of higher referrals of TANF recipients needing to meet the state's work or community service requirement.

Staffing models reflect approach to client services

The transitional jobs programs have adopted two staffing models: the generalist approach and the specialist approach. In the generalist model, one staff member performs all the major functions of client services and serves as a client's main point of contact through the entire program. In some cases, such as PREP and CJ-Aberdeen, this might be done because the program is small and staff members need to "wear many hats." Larger programs, such as CJ-Tacoma, may employ a generalist model in order to provide a more holistic approach to client services.

The specialist model capitalizes on the individual qualifications and training that different staff bring to their positions (e.g., a sales background for job developers). CJP-San

TABLE IV.3
STAFF SIZE AND STRUCTURE

		Staff Functions and Position Names[b]					
	Number of FTEsa	Outreach & Recruitment	Work Site Development	Case Management	Training	Job Development	Retention
PREP Forrest City, AR	3.45[c]	Marketing Specialist	Marketing Specialist	Marketing Specialist			
Community Jobs Program San Francisco, CA	20.15	Case Managers	Host-Site Developers	Case Managers	Instructors		Case Managers
GoodWORKS! Richmond, GA	38.18	Recruiters	Not applicable[d]	Personal Advisors	Career Development Specialists and staff of partner agencies (DOL, JTA)	Career Development Specialists	Personal Advisors and Career Development Specialists
TWC Philadelphia, PA	78	Recruiters	Job Developers in Orientation Unit	Career Advisors	Facilitators	Job Developers in Employment Unit	Retention Career Advisors
Community Jobs Aberdeen, WA	4.5	Job Coaches	Job Coaches	Job Coaches			
Community Jobs Tacoma, WA	20.63	CJ Counselors (exact name varies by agency)	CJ Counselors (exact name varies by agency)	CJ Counselors (exact name varies by agency)			

SOURCE: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

[a]Full-time Equivalents (FTEs) are based on the cost analysis period. This period is July 1, 2000 through June 30, 2001 for PREP, CJP-San Francisco, and the two Washington State Community Jobs programs; January 1, 2000 through December 31, 2000 for TWC; and, April 1, 2001 through September 30, 2001 for GoodWorks!.

[b]Functions without position names are not offered directly by the program.

[c]The PREP program had two full-time Americorps volunteers that are not counted in the number of FTEs.

[d]GoodWorks! places most clients on-site at the administering agency. Some individual placements are developed by Goodwill Career Development Specialists and staff of the Richmond/Burke Job Training Authority

Francisco, TWC, and GoodWorks! use this model. Different staff members are responsible for recruitment, development of transitional job sites, case management, on-going skill-building activities, and retention services (Table IV.3). A drawback to this approach is the risk that clients may "fall through the cracks" as they move from one stage to the next.

To prevent drop-outs during program transitions and create cohesiveness in client services, the programs that use the specialist model take steps to ensure that participants receive

consistent attention. For example, the case managers in CJP-San Francisco and the personal advisors and career development specialists in GoodWorks!, serve as the main contacts for participants to guide them through the various stages of the program. TWC underwent a major staff restructuring in the summer of 2001 designed to improve coordination of services for participants within a specialist staffing model. Previously, staff were divided into three divisions–-career advising, training, and employment-–that worked largely as separate entities. Different staff specialists now work as a team to provide case management, job development, and retention services to clients. TWC staff were enthusiastic about their ability to share information about clients through shared case notes and weekly meetings.

V. Program Costs

Publicly funded jobs programs are generally thought to be expensive, largely due to the wages paid to participants. In the transitional jobs programs we studied, wages are a significant portion of the costs, but costs are also incurred from other aspects of the programs that consume substantial staff resources: matching clients with transitional jobs, providing case management, and delivering services to support clients as they progress through the program. Factors that affect overall costs include the hourly wage of participants, the length of program participation, and the breadth of services. In this chapter, we examine the costs of the study programs. In the absence of a full cost-benefit analysis, we present gross program costs that do not consider offsetting benefits, such as earnings increases, TANF savings, and societal gains.

METHODOLOGY

For each program, we worked with administrators to identify a timeframe that would represent "steady-state" program operations, in order to exclude start-up costs. For all of the programs except Augusta GoodWorks!, this is the most recent fiscal or calendar year. Because GoodWorks! was implemented statewide in February 2001, at which time the Augusta program changed from pilot to permanent status, we selected a six-month period after this transition for analysis. The analysis periods for the PREP and CJP-San Francisco programs result in some overstatement of current costs. PREP reduced staff and services due to funding constraints after the period of analysis. The San Francisco program continues to undergo changes in service delivery structures and is staffed for a client capacity that it has not yet achieved; its measured costs, may therefore overstate the cost per participant it will incur if it enrolls up to capacity.

To conduct the cost analysis, we collected three types of data: expenditure data, participation data, and contextual data.

- **Expenditure data.** Each site provided data on program expenditures based on administrative and accounting records and financial statements. Expenditures include: staff salaries and fringe benefits, wage subsidies and incentives or bonuses paid to program participants, office overhead, supplies, equipment, and services.
- **Participation data.** Using data from the programs' management information systems, we determined: the number of clients served in the analysis period, average length of program participation for those clients, and the number of total "participant months" (the sum of the monthly number of participants for all months in the analysis period) (Table V.1). With these data, we were able to calculate program costs per participant month.
- **Contextual data.** Information gathered through the in-depth site visits provides greater insight into the factors affecting cost. We use this information throughout the chapter to inform our interpretation of program costs.

TABLE V.1
PARTICIPATION DATA ELEMENTS

	PREP Forrest City, AR	CJP San Francisco, CA	GoodWORKS! Augusta, GA	TWC Philadelphia, PA	CJ Aberdeen, WA	CJ Tacoma, WA
Number of Clients in Period	110	165	161	1924	140	761
Total Participant Months in Period[a]	265	810	526	4186	518	3367
Average Length of Participation (months)[b]	3.1	6.5	7.7	3.4	6.2	5.3

SOURCE: Cost data provided by the individual programs

The periods of analysis were: for PREP, CJ-Aberdeen, CJ-Tacoma, and CJP-San Francisco from July 1, 2000 to June 30, 2001; for TWC, January 1, 2000 to December 31, 2000; for GoodWorks!, April 1, 2001 to September 30, 2001.

[a]Total participant months do not include post-placement job retention period.

[b]Calculated for clients with completed participation spells.

WAGE COSTS

All of the programs incur wage costs that are made up of the direct wages paid to participants plus payroll and worker's compensation taxes. Other direct payments to participants— such as program participation bonuses or retention incentives— are included in service costs (see the next section). Wage costs also do not include employee benefits, because none of the programs provide benefits that are an added cost to the employer.[34]

Wage costs per participant month vary widely because the programs pay different wage rates and require different weekly hours of work (Table V.2). TWC, with one of the lowest wage costs, pays the federal minimum wage ($5.15) for up to 25 hours of work per week. The higher number of hours of work per week (32) and the higher wage ($6.26) of CJP-San Francisco make its wage costs up to 44 percent higher than TWC's. Overall, wage costs vary from $287 to $749 per participant month.

It is reasonable to expect that programs are not achieving full participation in required hours each month, so we would expect wage costs to be somewhat lower than estimated costs based on full participation (Table V.2). In GoodWorks!, however, the difference in estimated and actual wage costs is more substantial. Wage costs in GoodWorks! are 56 percent lower than estimated full participation costs. GoodWorks! was starting to implement a different pay structure toward the end of the analysis period. Under this structure, participant wages begin to decline after four months in the program, because required work hours are decreased and job search hours are increased. A GoodWorks! administrator suggested that the low wage costs are the result of phasing off some long-term clients remaining from the pilot stage of the program.

[34] Only the Washington state sites offer benefits to program participants, but these benefits are in the form of paid annual leave which would be included in wage costs over the placement period.

TABLE V.2
WAGE COSTS

	PREP Forrest City, AR	CJP San Francisco, CA	GoodWorks! Augusta, GA	TWC Philadelphia, PA	CJ Aberdeen, WA	CJ Tacoma, WA
Wage Costs per Participant Month	$701	$749	$287	$520	$590	$534
Total Wage Costs per Participant[a]	$2,172	$4,866	$2,210	$1,769	$3,658	$2,828
Hourly Wage in Analysis Period	$5.15-$6.00	$6.26	$6.00	$5.15	$6.72	$6.72
Hours per Week	30-40	32	20-28	25	20	20
Estimated Monthly Wage Costs at Full Participation[b]	$720-$1,119	$934	$646-$705[c]	$601	$627	$627
TANF Grant for a Family of Three	$204	$626	$280	$421	$546	$546

SOURCE: Cost data provided by the individual programs; Committee on Ways and Means, U.S. House of Representatives, The 2000 Green Book, October 6, 2000.

The periods of analysis varies for each program as follows were: For for PREP, CJ-Aberdeen, CJ-Tacoma, and CJP-San Francisco from July 1, 2000 to June 30, 2001; for TWC, January 1, 2000 to December 31, 2000; for GoodWorks!, April 1, 2001 to September 30, 2001.

[a]Total wage costs per participant are calculated by multiplying unit wage costs per participant month by average length of participation (Table V.1) in the period of analysis.

[b]Estimated wage costs include are the wage level multiplied by the numbers per of required hours per month with and standard federal taxes added as follows: the employer portion of Medicare and Social Security taxes at 7.65 percent and unemployment insurance at 0.8%. Program wage costs would also include state unemployment insurance and worker's compensation taxes, which vary by state and are not included in this calculation.

[c]Lower cLower-bound wage is weighted average based on 20 hours per week for one month in work evaluation phase and 28 hours per week for eight months in work adjustment phase; Upper- bound wage is weighted average of various stages of transitional work under the program's more recent phasing structure, which that includes a total of of 3 months at 28 hours per week, 1 month at 25 hours per week, and 2 months at 20 hours per week.

Because the programs largely target TANF recipients, wage costs should be considered in light of the TANF savings that the programs are likely to produce. In the short term, wage costs largely offset TANF savings. For example, in TWC, PREP, and GoodWorks!—where participants are likely to leave TANF once enrolled, so that savings would amount to the full TANF grant—wage costs equal or exceed the TANF grant for a family of three (Table V.2). However, the cost-effectiveness of these programs depends on the longer-term impact on TANF savings which we cannot determine in this study.

COSTS OF PROGRAM SERVICES AND SUPPORTS

In addition to wages, the programs provide a range of services prior to and during the transitional work placement and during entry into unsubsidized employment. In costs for program supports and services, we include core service and administrative costs. A core service is any service required of or delivered to all participants in the transitional job program.

Most of these services are delivered directly by the administering agencies. Some services, such as assessment, administered by other entities are still part of the core, because every program participant receives them. We do not include the costs of supportive services provided by the TANF agency or other program partners in the estimates of service costs. Supportive services (e.g., transportation and child care) are available to low-income families generally and are not a direct function of these transitional jobs programs.

The costs of programs supports and services reflect different types and level of support offered to program participants. Program service costs range from $379 to $1,871 per participant month (Table V.3). This range can be best explained by distinguishing between the higher costs of CJP-San Francisco, TWC, and GoodWorks! and the lower costs of PREP and the two Washington CJ programs.

Higher-cost programs

The three programs with the highest service costs are more comprehensive programs that require pre-placement and integrated, on-going skill-building activities, and offer in-house job development and placement services for unsubsidized employment.[35] The per participant month service costs of TWC, CJP-San Francisco, and GoodWorks! are $1,305, $1,593, and $1,871, respectively (Table V.3). The additional services increase program costs substantially. The more expensive programs also offer retention services to participants who have obtained unsubsidized employment.

Among the higher-cost programs, there are variations due to the local costs of doing business, economies of scale, administrative structure, and intensity of case management services. For example, CJP-San Francisco and TWC are similar programmatically, but service costs are higher in San Francisco. There are probably several reasons: San Francisco is a more expensive city, in general, than Philadelphia; TWC, with ten times as many participants, can take advantage of some economies of scale; CJP relies on TANF grant diversion to pay participants wages, a more costly administrative procedure than using directly allocated funds; CJP has an additional layer of administration and associated overhead, because the contracting agency is heavily involved in administration; and, finally, CJP has had to increase staffing levels in anticipation of an expected influx of clients, although this influx did not materialize during the analysis period.

The higher costs at GoodWorks! compared to CJP-San Francisco and TWC are probably due to programmatic differences. For example, GoodWorks! requires relatively more staff, because case managers carry a caseload of only 15 clients, in comparison to CJP-San Francisco's 20 to 25, and TWC's 35. GoodWorks! also offers the retention services for longer (2 years) and more intensely than the other two programs.

[35] While only TWC had in-house job developers at the time of the site visit, the administering agencies in CJP-San Francisco were responsible for unsubsidized job development for a large portion of the cost analysis period (FY2001). The GoodWorks! program uses a combination of in-house and other agency staff on-site at the program office to conduct job placement and development services. We were able to include all associated costs.

TABLE V.3
COSTS OF PROGRAM SERVICES AND SUPPORTS

	Costs per Participant Month	Average Cost per Participant[a]
PREP Forrest City, AR	$856	$2,653
Community Jobs Program San Francisco, CA	$1,593	$10,354
GoodWorks! Augusta, GA	$1,871	$14,406
TWC Philadelphia, PA	$1,305	$4,436
Community Jobs Aberdeen, WA	$519	$3,220
Community Jobs Tacoma, WA	$379	$2,011

SOURCE: Cost data provided by the individual programs

The periods of analysis were: for PREP, CJ-Aberdeen, CJ-Tacoma, and CJP-San Francisco from July 1, 2000 to June 30, 2001; for TWC, January 1, 2000 to December 31, 2000; for GoodWorks!, April 1, 2001 to September 30, 2001.

[a]Total costs per participant are calculated by multiplying the cost per participant month by the average length of participation (Table V.1) in the period of analysis.

Lower-cost programs

The three lower-cost programs—PREP and the Washington CJ programs—all do not provide additional training activities during the transitional placement or offer formal retention services.[36] The service costs for these programs range from $379 to $856 per participant month (Table V.3).

These programs differ in the amount of pre-placement activities they require and job placement assistance they provide. PREP offers job placement assistance, though only as part of the transitional work placement, and, during the analysis period, required pre-placement training through a community college's mobile training lab. These services, not provided by the CJ programs, made the PREP program costlier than the two CJ programs. The cutbacks that PREP program has received in the new fiscal year probably make its costs now similar to those of the Washington programs. The CJ-Aberdeen program shows a higher cost than the CJ-Tacoma program, because we included costs incurred by the community college in providing a one-week orientation and assessment workshop required for program participants.

[36] Case managers in the Washington CJ programs coordinate and monitor additional training activities of program participants but the programs do not directly provide integrated training activities with the transitional work placement.

Service costs by program component

A breakdown of costs by component can help illuminate why some programs are more costly than others. Table V.4 presents a comparison of costs by program component for one higher-cost program (TWC) and one lower-cost program (PREP) (the two programs for which the most comprehensive data were available). The percentage of service costs allocated to outreach and recruitment, support during transitional work, and job development and placement are similar between the programs. The main cost differences between the programs arise because PREP spends little, if anything, on training during the placement period and retention services, while nearly 30 percent of TWC's unit costs are concentrated in these two areas. TWC's costs for pre-placement activities are substantially lower than PREP's, most likely due to the economies of scale in serving many more participants.

Selected supportive services costs

The transitional jobs programs studied rely on the TANF system to provide many key supportive services to program participants (e.g., child care and transportation assistance). The programs vary in the amount of supportive services they offer directly to participants. Although we could not obtain comprehensive cost information on all supportive services, it is clear that the range of services provided affects overall costs.

PREP offers participants access to a wide range of supportive services through the administering agency, the St. Francis County Workforce Alliance (WFA), that amount to an additional $675 per participant month. The WFA contracts with local providers for consumer credit counseling and substance abuse counseling specifically for PREP participants, and provides other services—such as transportation assistance, a scholarship fund, and auto repair services—to low-income individuals generally. Access to these services may be particularly important for PREP participants, because they are likely to move off TANF assistance once in transitional work.

The Washington CJ programs provide $227 (Tacoma) and $271 (Aberdeen) per participant month in additional supportive service payments, which help clients with both small items and emergency expenses (e.g., car repairs, utility bills). The TWC and GoodWorks! programs provide mostly transportation services (in TWC, this is transportation for unsubsidized employment) that amount to additional costs of $26 to $28 per participant month.

Total service costs per program participant

Total service costs per program participant vary widely because of differences in costs per participant month and average number of months in the program. The programs with the lowest costs per participant month—PREP and the Washington programs—also have the lowest total costs per participant (Table V.3). PREP's service costs per participant month are higher than either of the Washington programs, but the relatively short average length of participation in PREP makes the three programs' totals comparable ($2,653 for PREP, and $3,220 and $2,011 for CJ-Aberdeen and CJ-Tacoma, respectively). The Washington CJ program costs fall around the total amount ($2,800) they can receive through their performance-based contracts

TABLE V.4
SERVICE COSTS BY PROGRAM COMPONENT

	PREP, Forrest City, AR		TWC, Philadelphia, PA	
	Cost Per Participant Month	Percentage of Total Service Costs	Cost Per Participant Month	Percentage of Total Service Costs
Outreach and Recruitment	$35	4.1%	$37	2.9%
Pre-Placement Activities	$379	44.3%	$138	10.6%
Transitional Work	$183	21.4%	$303	23.2%
Training During Placement	0	0	$246	18.9%
Unsubsidized Job Development and Placement	$100	16.6%	$133	10.2%
Retention Services	$9	1.1%	$132	10.1%
General Administration	$149	17.4%	$314	24.1%
Total Service Costs per Participant Month	$856	100%	$1,305	100%

SOURCE: Calculated from cost and resource allocation data provided by individual programs

The periods of analysis were July 1, 2000 to June 30, 2001 for PREP and January 1, 2000 to December 31, 2000 for TWC.

with the state.[37] Although TWC is a higher-cost program, its total service costs of $4,436 are low, because the average length of participation is short, just over 3 months.

The service costs of these four transitional jobs programs—PREP, TWC, and the two Washington CJ programs—are generally lower than the costs of other labor force attachment programs for TANF recipients. The National Evaluation of Welfare-to-Work Strategies found gross program costs (excluding costs of child care and other supportive services) ranging from about $5,200 to $8,100 per participant (Hamilton et al. 2001). The New Hope project that offered low-income individuals in Milwaukee six-month community service jobs or earnings supplements, affordable health insurance, and child care subsidies cost approximately $9,000 per participant, including wages (Bos et al. 1999). Including wage costs, the four less costly transitional jobs programs cost a total of approximately $4,800 to $6,900 per program participant.

CJP-San Francisco and GoodWorks!—the two longest and most intensive programs—have the highest total service costs: $10,354 and $14,406, respectively. This reflects the programs' commitment to providing intensive services to long-term TANF recipients for substantial periods of time (nine months of transitional work, one to two years of retention assistance). Both programs' costs are likely to decrease in the future. When CJP-San Francisco

[37] CJ-Aberdeen's costs fall within this range when the costs incurred by the community college for pre-placement training are withdrawn from the total cost calculation.

reaches expected capacity levels, its costs per participant will decline. The GoodWorks! program in Augusta recently tightened the restriction on the maximum length of transitional work (9 months), with the goal of moving clients into unsubsidized employment after six months.

TOTAL COSTS

Total program costs per participant month vary based on the different combinations of wage and service costs (Table V.5). The Washington CJ-programs are the least expensive programs overall. The higher wage costs in PREP and the higher service costs in TWC tend to balance each other out to bring total per participant month costs to similar levels. The low wage costs in GoodWorks!, despite its high service costs, make its total costs slightly lower than CJP-San Francisco.

Wage costs represent a sizable portion of total costs for most of the programs, but they comprise a smaller portion of costs in the programs with more intensive services. In CJP-San Francisco and TWC, wage costs are one-quarter to one-third of total costs, and in the GoodWorks! program, they are only 13 percent of total unit costs. Wage costs in the three less-comprehensive programs comprise between 45 to 59 percent of total costs.

TABLE V.5
TOTAL COSTS PER PARTICIPANT MONTH

Cost Per Participant Month	PREP Forrest City, AR	CJP San Francisco, CA	GoodWorks! Augusta, GA	TWC Philadelphia, PA	CJ Aberdeen, WA	CJ Tacoma, WA
Wages	$701	$749	$287	$520	$590	$534
(as a % of total)	(45%)	(32%)	(13%)	(29%)	(53%)	(59%)
Services	$856	$1,593	$1,871	$1,305	$519	$379
Total	$1,556	$2,342	$2,158	$1,825	$1,109	$913

SOURCE: Cost data provided by the individual programs

The periods of analysis were: for PREP, CJ-Aberdeen, CJ-Tacoma, and CJP-San Francisco from July 1, 2000 to June 30, 2001; for TWC, January 1, 2000 to December 31, 2000; for GoodWorks!, April 1, 2001 to September 30, 2001.

VI. Program Performance: Targeting, Participation, Employment Outcomes and Perceived Benefits

The effectiveness of transitional jobs programs in preparing TANF recipients for unsubsidized employment remains an open question. A rigorous research design to test for program impacts would be required to address this question. However, this study has gathered rich qualitative data on the programs' abilities to serve the eligible population and on the benefits that participants feel they derive from transitional work. We have also analyzed available data on the characteristics of program participants and on each program's rates of participation and job placement.

WHO ARE TRANSITIONAL JOBS PROGRAMS SERVING?

Five of the six programs included in this study intend to serve "hard-to-employ" TANF recipients. Their success in reaching this population depends on three factors: how program eligibility is determined, whom TANF case managers actually refer to the program, and how effectively the programs engage those clients who are referred. In this section, we examine these three factors and then take a closer look at the characteristics of program participants.

Who is eligible for the programs?

All of the programs, except PREP, require that individuals be receiving TANF at the time they enter the program (Table VI.1). PREP accepts TANF recipients and non-TANF adults with an income less than 185 percent of the Federal Poverty Level (FPL). The broader eligibility reflect PREP's concern about economic development and job availability in a rural area with unemployment rates typically twice the national average. Non-TANF recipients constitute 14 percent of the program's referrals.[38]

In addition to the TANF requirement, most of the programs are looking for clients who are "hard-to-employ," which they define in different ways. In the Washington sites, it means that the TANF recipient has been unsuccessful in gaining employment through the standard 12-week job search component offered by the state's Department of Employment Security.[39] The remaining three sites—CJP-San Francisco, TWC, and GoodWorks!—restrict eligibility to long-term (24 to 30 months) TANF recipients (the precise number of months have changed over time) (Table VI.1).[40] Like the Washington programs, these sites also require that participants have previously completed a job search program.

[38] Based on analysis of program MIS data.

[39] TANF case managers have the discretion to refer someone to the program earlier, if they believe that the client will not successfully complete the 12-week job search.

TABLE VI.1
ELIGIBILITY REQUIREMENTS, TARGETING CRITERIA, AND ENROLLMENT RATES

	Eligibility Requirements			
	TANF Receipt	Other	Targeting Criteria	Enrollment Rates[a]
PREP Forrest City, AR		TANF recipient or income below 185 percent of poverty line	High school diploma or GED Recent work experience Currently in unpaid work experience Approaching 24 months on assistance[b]	n/a
Community Jobs Program San Francisco, CA	√	Nearing 24 months of TANF receipt[c]	Facing serious barriers to work At risk of sanctioning	75.7
GoodWorks! Augusta, GA	√	30 months of TANF receipt[d]	Lack of high school diploma or GED Interest in program Ability to complete program Sanctioned or at risk of sanctioning	n/a
TWC Philadelphia, PA	√	24 months of TANF receipt[c]	Lack of high school diploma or GED Parenting teens Low basic skills No prior work experience Cannot keep a job	n/a
Community Jobs Aberdeen, WA	√	Unsuccessful in 12-week job search	Lack job experience or education Sanctioned	71.9
Community Jobs Tacoma, WA	√	Unsuccessful in 12-week job search	Lack of work experience Need for supportive work environment Low self-esteem Involvement in violent relationship Sanctioned	63.5

SOURCE: Site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001; MIS data provided by the individual programs

n/a = information not available from MIS data sources provided

[a]Enrollment rate is the percentage of clients who enroll in the program relative to the total number of clients referred.

[b]The state time limit on TANF cash assistance in Arkansas is 24 months.

[c]At 24 months on assistance in San Francisco and Philadelphia, TANF recipients are required to be in paid work or community service to continue TANF receipt.

[d]As of October 1, 2001, eligibility for the GoodWorks! program expanded to include all hard-to-employ TANF recipients, regardless of how long they have received cash assistance.

Who is referred to the programs?

TANF agencies are the primary source of referrals for all the transitional jobs programs. TANF case managers do not refer every eligible individual. Rather, they look for characteristics indicating that an individual may have particular difficulty finding and keeping work (Table VI.1). TANF case managers referring to the CJ programs in Washington look for clients with minimal work experience or education, low self-esteem, or serious family challenges, such as involvement in an abusive relationship. TANF case managers in Augusta, Aberdeen, and Tacoma tend to refer clients who face sanction or are having trouble meeting their work activity requirements.

In contrast to the other programs, PREP encourages TANF case managers in Forrest City, Arkansas, to refer clients who have a high school diploma or GED or some recent work experience. The program staff and TANF case managers share the belief that these individuals will derive the most benefit from transitional work. TANF case managers, however, do not refer clients until they have unsuccessfully completed a four-week independent job search program and, in most cases, are nearing 24 months on assistance (the state time limit).

TWC is the only program that tries to "sell" the program up front. TWC recruiting staff regularly conduct presentations at the TANF office and meet individually with potential clients to encourage them to seek a referral to the program. Recruiters typically target clients who lack a high school diploma.

How are clients enrolled in program services?

Once referred, a client still needs to decide to participate. All the programs send a letter or place phone calls to encourage referred clients to attend an orientation or meet with program staff for intake. For clients who do not come in after these initial attempts, some programs make phone calls for up to two weeks, and then refer the client back to the TANF office for noncompliance. GoodWorks!, CJP-San Francisco, and CJ-Aberdeen conduct home visits, if a client does not respond to letters or phone calls; GoodWorks! recruiters will make up to three home visits.

The programs define enrollment differently. Enrollment begins on the first day of program activity for the PREP program (individual intake meeting when a program application is completed), GoodWorks! (group orientation) and CJP-San Francisco (pre-placement training). In TWC, clients are enrolled after three days in the pre-placement training. Because there are no standard pre-placement activities required in the Washington State CJ model, the state uses a standard definition of enrollment that begins on the first day of a client's transitional work placement.

[40] GoodWorks! was initially an option for TANF recipients who were within 12 months of reaching the state 48-month limit on cash assistance. As of October 1, 2001, the program expanded eligibility to all TANF recipients who are unsuccessful in a structured job search. In contrast, CJP-San Francisco's eligibility requirements have become more restrictive over time. For the programs first two years, TANF recipients were eligible if they had multiple barriers, had failed at other programs, or were reaching the 24-month point on cash assistance. At the time of the site visit, the program was targeted more specifically to TANF recipients who had received cash assistance for 24 months or more.

It is unrealistic to expect programs to enroll all referred clients. The enrollment rates at the three sites that gather these data range from 63.5 percent (CJ-Tacoma) to 75.7 percent (CJP-San Francisco) (Table VI.1). These data suggest that outreach efforts may help in getting more clients enrolled. CJP-San Francisco and CJ-Aberdeen, which conduct home visits, have higher enrollment rates than CJ-Tacoma, which does not.

Who participates in transitional jobs programs?

Based on eligibility requirements, targeting criteria, and outreach efforts, we would expect most of the programs to serve a population that is harder-to-employ than the general TANF population. Due to the limited scope of this study, we do not have the data necessary to verify this assumption with precision. However, at four of the programs studied, clients have, on average, lower levels of education—a typical characteristic of hard-to-employ individuals—than the overall population of adult TANF recipients facing work requirements in the same county (Table VI.2).[41] Particularly in the TWC and GoodWorks! programs, which target long-term TANF recipients, the percentage of program participants with a high school diploma or GED is substantially lower than that seen in the TANF population overall. On the other hand, participants in the PREP program appear to be more likely to have a high school diploma or GED (73 percent) than the average work-required TANF recipient in St. Francis County (63 percent), as can be expected from the program's targeting criteria.

Table VI.3 shows the general characteristics of transitional jobs participants as derived from program MIS data. The overwhelming majority of clients is female. Clients in three of the six programs are similar in terms of age (about 31–32 years on average); PREP clients are, on average, younger (27), and CJP-San Francisco, older (34). For the three programs for which data on race/ethnicity are available, the majority of the clients served are African American. CJP-San Francisco serves a sizable portion of Asian clients (17.5 percent). Median family size ranges from 2 in CJP-San Francisco to 4 in the GoodWorks! program.

In the period for which data were available, the six programs enrolled a total of 4,271 individuals, with a total monthly caseload of about 850 across the programs.[42] In absolute terms, the TWC program is the largest, serving about 350 clients per month, and the PREP program is the smallest, serving about 22 clients per month (Table VI.4).[43] However, in relative terms, TWC (and CJP-San Francisco) serves less than 3 percent of the eligible TANF population subject to work requirements; GoodWorks! serves about 28 percent.

[41] Data on education level were not available from CJP-San Francisco MIS data. A recent study of the San Francisco program that linked program MIS data with data from the San Francisco Department of Human Services reported that 63 percent of CJ participants lacked a high school diploma or GED (Hernandez and Quijano 2002).

[42] For CJP-San Francisco, CJ-Aberdeen, and CJ-Tacoma, we had MIS data through July or August of 2001; TWC data only run through December 2000; data for PREP and GoodWorks! are the most recent and run through December 2001.

[43] We did not include clients receiving retention services in the average monthly caseload. Data for TWC were available only through December 2000. Enrollment in the program rose to a consistently higher level in 2001 and the monthly caseload is now close to 750, including clients receiving retention services.

TABLE VI.2
PERCENTAGE OF CLIENTS WITH HIGH SCHOOL DIPLOMA/GED

	PREP Forrest City, AR	CJP San Francisco, CA	GoodWorks! Augusta, GA	TWC Philadelphia, PA	CJ Aberdeen, WA	CJ Tacoma, WA	United States
Program Participants[a]	73.0	n/a	25.7	34.7	50.5	59.6	
TANF Recipients[b]	63.1	53.1	59.8	52.4	59.5	63.5	52.6

SOURCE: MIS data provided by the individual programs; FY 1999 ACF TANF Emergency Data File

n/a = information not available from MIS data sources provided

[a]The period of analysis varies for each program from its start to end dates as follows: PREP through December 22, 2001; CJP-San Francisco through August 8, 2001; GoodWorks! through December 19, 2001; TWC through December 26, 2000; CJ-Aberdeen through July 9, 2001; and CJ-Tacoma through August 13, 2001.

[b]Includes only adult TANF recipients subject to work requirements. The period of analysis for ACF data is FY 1999 (October 1, 1998 through September 30, 1999). Forrest City totals include all of St. Francis County; Augusta totals include all of Richmond County; Aberdeen totals include all of Grays Harbor County; and Tacoma totals include all of Pierce County.

HOW LONG DO PARTICIPANTS STAY?

In most programs, about half or more of enrolled clients stay in the work placement to the end of the placement period or obtain unsubsidized employment before the end, both of which are considered successful completion of the program (Table VI.4). Overall, the GoodWorks! program does the best job of keeping clients throughout the full service period (82 percent). In GoodWorks! and the two Washington CJ programs, the majority of clients who do not complete the program remain for at least three months; the largest concentration of drop-outs occurs between six and nine months.[44]

With the exception of GoodWorks! the average length of client participation is 2.5 to 3.7 months less than the maximum length allowed (Table VI.4).[45] This can be due to clients dropping out or to clients quickly finding regular jobs. CJP-San Francisco, PREP, and TWC lose a sizable proportion of clients who do not complete the program within the first month (43 percent in CJP-San Francisco and PREP and 30 percent in TWC),[46] possibly during the transition from required pre-placement activities to the work placement. On the other side, about one-fifth of the clients at PREP and CJ-Tacoma who gain unsubsidized employment do so within the first month.

[44] Detailed data on patterns of program participation are presented in Appendix C.

[45] We are not including receipt of job retention services after entry into unsubsidized employment in these calculations of average length of participation. Retention services are provided to participants who gain unsubsidized employment for six months in TWC, one year in CJP-San Francisco, and two years in GoodWorks!

[46] See Appendix C for detailed data on clients not completing transitional placement.

Program MIS files offer little information on the reasons for client terminations. From the PREP program, we know that about 70 percent of clients who do not complete the program are terminated for negative reasons (e.g., poor attendance, poor work attitudes during the transitional employment phase), while about 30 percent leave transitional jobs for positive reasons (e.g., client's decision to further her education).

WHAT ARE THE EMPLOYMENT OUTCOMES OF PARTICIPANTS?

Examining employment outcomes of program participants is a complicated task. When analyzing program data, it is important to understand how it is collected and what it is collected for. Programs that do not have payment points tied to client milestones (e.g., placement in an unsubsidized job, job retention) have little incentive to collect such data systematically. Some programs do not directly offer job placement assistance, and, therefore, do not collect data on unsubsidized jobs. Nonetheless, to the extent possible, this section discusses placement rates, job retention, and the characteristics of unsubsidized jobs.

TABLE VI.3
CLIENT CHARACTERISTICS[a]

Program or Client Characteristic	PREP Forrest City, AR	CJP San Francisco, CA	GoodWorks! Augusta, GA	TWC Philadelphia, PA	CJ Aberdeen, WA	CJ Tacoma, WA
Gender (%)						
Female	88.0	94.8	98.8	98.7	n/a	n/a
Age						
Average age (years)	27.2	34.0	32.4	n/a	31.4	31.0
Under 20 (%)	7.0	2.0	1.2	n/a	4.9	6.2
Over 39 (%)	5.7	29.8	19.8	n/a	21.6	15.0
Race/ Ethnicity (%)						
African American	94.9	66.4	n/a	89.7	n/a	n/a
White	5.1	4.9	n/a	1.8	n/a	n/a
Asian	0.0	17.5	n/a	0.9	n/a	n/a
Hispanic	0.0	10.4	n/a	7.7	n/a	n/a
Family Size						
Median family size (persons)	n/a	2	4	n/a	3	3

SOURCE: MIS data provided by the individual programs

n/a = information not available from MIS data sources provided

Sample sizes for individual statistics vary, depending on which observations have information available for the statistic in question.

[a]The period of analysis varies for each program from its start to end dates as follows: PREP through December 22, 2001; CJP-San Francisco through August 8, 2001; GoodWorks! through December 19, 2001; TWC through December 26, 2000; CJ-Aberdeen through July 9, 2001; and CJ-Tacoma through August 13, 2001.

What are placement rates in unsubsidized employment?

About half to two-thirds of clients enrolled in these transitional jobs programs obtain unsubsidized employment by the end of their time in the program (Table VI.5). Placement rates are highest for GoodWorks! (70.3 percent) and lowest for CJP-San Francisco (46.7 percent).[47] These rates are similar to those of Welfare-to-Work Grants programs that also focus on the hard-to-employ population. The National Evaluation of Welfare-to-Work Grants Program found placement rates ranging from 30 percent to 72 percent of enrolled participants (Nightingale et al. forthcoming 2002).

The rates are lower, however, than some recent estimates of rates found in some transitional jobs programs for two reasons: first, they are based on all enrolled clients, not just on those who are placed in a transitional job; second, they are program placement rates, not employment rates. Studies of the Washington State program and CJP-San Francisco found that 72 and 66 percent, respectively, of clients who made it into a transitional job gained unsubsidized employment (Burchfield et al. forthcoming 2002; Hernandez and Quijano 2002). The employment rates reported in these studies were measured over time using administrative data on earnings and wages from the Unemployment Insurance or TANF program, for example. Similarly, the Washington Department of Social and Human Services reports employment rates of 58 and 59 percent for Aberdeen and Tacoma, respectively, for the period July 1999 through June 2000. Employment rates will always be higher than program placement rates because some individuals will find jobs on their own after they leave a transitional jobs program, and these "events" are not captured in program administrative data.

Placement rates for successful program completers—that is, those who do not drop out—are much higher and range from 81.4 percent (CJP-San Francisco) to 94 percent (TWC). This suggests that the programs do a good job in helping consistent program participants find employment.

We generally assume that individuals with a higher education and no disability are more likely to find jobs than those with less education or a disability. In two of the three programs for which data are available on employment by education level (PREP and TWC), this assumption holds true (Table VI.5). In GoodWorks!, however, individuals with less education obtain employment at a substantially higher rate (73.5 percent compared to 59.6 percent). Both CJP-San Francisco and GoodWorks! appear to do well in preparing individuals with disabilities for work, with placement rates of 62.5 and 58.8 percent, respectively. In CJP-San Francisco, individuals with disabilities actually do better than individuals without them in gaining employment.

Job placement is one step in the process toward self-sufficiency. The more significant step is maintaining the job over time. Research suggests that individuals who start out in better jobs, with higher wages and benefits, and who work in certain occupations are more likely to maintain employment in the long-term (Rangarajan et. al 1998). Unfortunately, we can discern little about retention from available data. Only one program, CJP-San Francisco, collects information on job retention in a systematic way. Of its participants who obtain employ-

[47] Placement rates cannot be determined for the Washington CJ programs, because, until recently, these programs were not paid for unsubsidized placement and did not systematically record this outcome.

ment, about 91 percent remain in their first job for five days, 68 percent remain in this job for three months, and 45 percent keep their first job for six months. The program collects information only on the first job, so these rates probably underestimate the extent of sustained employment.

In the absence of a more rigorous research design, we cannot estimate the factors that contribute to job placement or retention rates, or the extent to which the programs increase the likelihood that individuals will find and keep a job. Factors that might be important include:

TABLE VI.4
PROGRAM PARTICIPATION AND CAPACITY

	PREP Forrest City, AR	CJP San Francisco, CA	GoodWorks! Augusta, GA	TWC Philadelphia, PA	CJ Aberdeen, WA	CJ Tacoma, WA
Participation:						
Total Clients Enrolled[a]	177	274	253	2,178	266	1,123
Average Monthly Caseload[b]	22	68	88	349	43	281
Average length in program (months)[a]	3.1	6.5	7.7	3.4	6.2	5.3
Maximum length of placement in policy (months)	6	9	9	6	9	9
Percentage of Successful Program Completions[a,c]	53.6	57.3	82.2	51.5	48.8	38.6
Capacity:						
TANF Adults Subject to Work Requirements that Meet Program Length of Assistance Eligibility Requirements[d]	240	2,858	311	12,693	614	6,740
Monthly Caseload as Percentage of All Work-Required TANF Adults	9.2	2.4	28.2	2.7	7.0	4.2

SOURCE: MIS data provided by the individual programs; FY 1999 ACF TANF Emergency Data File.

[a]Based on enrolled clients using each program's definition of enrollment. Measured for clients with completed participation spells. The period of analysis varies for each program from its start to end dates as follows: PREP through December 22, 2001; CJP-San Francisco through August 8, 2001; GoodWorks! through December 19, 2001; TWC through December 26, 2000; CJ-Aberdeen through July 9, 2001; and CJ-Tacoma through August 13, 2001.

[b]Average monthly caseload measured for 4/2001 through 9/2001 for GoodWorks!, 1/2000 through 12/2000 for TWC, and 7/2000 through 6/2001 for all other programs.

[c]Successful completion is defined as having completed the maximum length of the placement or having gained unsubsidized employment prior to the end of the placement. It is measured for clients with completed participation spells.

[d]No length of assistance requirements exist in PREP and the Washington CJ programs. Length of assistance requirements considered 24 months in CJP-San Francisco and TWC, and 30 months in GoodWorks!. Forrest City totals include all of St. Francis County; Augusta totals include all of Richmond County; Aberdeen totals include all of Grays Harbor County; and Tacoma totals include all of Pierce County.

conditions of the local labor market, job placement approaches, levels of retention services, and interpersonal skills and motivation of clients.

What kinds of unsubsidized jobs do participants get?

The programs generally target jobs that are full-time (32 or more hours per week) and that pay more than minimum wage ($5.15 per hour), and the jobs that participants get fit these characteristics. Reported median wages of clients placed in unsubsidized jobs are $5.75 per hour for clients in the GoodWorks! and PREP programs, and $6.75 per hour for TWC clients (Table VI.5). It is the goal of CJP-San Francisco to help clients find jobs that pay $9.00 per hour, the "living wage" per San Francisco's Minimum Compensation Ordinance. The median wages of clients who gain unsubsidized jobs appear to reflect this goal. To the extent data are available about job changes, the second jobs have median hours and median wages similar to the first ones.

These job characteristics--full-time median hours and generally low wages--are similar to those of TANF leavers as a whole (Richer et al. 2001). However, we can only report job characteristics at job entry; only one program collects consistent follow-up information on job retention and advancement. As a result, we do not know what the wages and earnings of program participants look like over time. A recent outcomes study of the Washington CJ program by the Economic Opportunity Institute found steady wage progression for working CJ participants. Median earned income rose from $1,811 in the first quarter following CJ participation to $2,580 in the fourth quarter (Burchfield et al. forthcoming 2002). Also similar to all TANF leavers, about half of clients in the two programs for which comprehensive information on health coverage is available, get jobs that offer health insurance at the time of job entry

WHAT ARE THE PERCEIVED BENEFITS OF TRANSITIONAL JOBS PROGRAMS?

Although this study cannot conclusively determine whether participants in transitional work programs are better off than they would have been without the program, participants do report shifts in their lives that are consistent with the program objectives. Program staff, worksite supervisors, employers, and staff of TANF agencies also shared their views on the perceived benefits to these programs. Beyond the benefits they see for participants, employers and staff of TANF agencies feel that they themselves benefit from helping welfare recipients become more work-ready and move off public assistance.

Participants feel they benefit financially, professionally, and personally

Transitional jobs programs offer participants a unique and potentially life-changing experience. These programs offer a real job "plus," so that participants can experience the benefits and challenges of working while receiving supplemental training and support.

Financial security

Transitional jobs can offer increased financial security and independence to participants. Transitional workers who remain on TANF while in the programs receive less cash assistance, but the combination of work earnings, generous earnings disregards, and eligibility for the

TABLE VI.5
EMPLOYMENT-RELATED OUTCOMES FOR PROGRAM PARTICIPANTS[a]

Program or Client Characteristic	PREP Forrest City, AR	CJP San Francisco, CA	GoodWorks! Augusta, GA	TWC Philadelphia, PA	CJ Aberdeen, WA[b]	CJ Tacoma, WA[b]
Placement Rates in Unsubsidized Jobs:						
All Program Participants	48.2	46.7	70.3	48.5	n/a	n/a
Successful Completers[c]	89.9	81.4	85.5	94.0	n/a	n/a
By Education Level:						
High School Graduate / GED	51.7	n/a	59.6	51.0	n/a	n/a
Lack High School Diploma or GED	40.4	n/a	73.5	44.4	n/a	n/a
By Presence of Disability:						
Have a Disability	n/a	62.5	58.8	n/a	n/a	n/a
No Disability	n/a	45.0	78.0	n/a	n/a	n/a
Characteristics of Unsubsidized Jobs:						
Median Hourly Wage	$5.75	$9.00	$5.75	$6.75	n/a	n/a
Median Hours/ Week	n/a	40	35	40	n/a	n/a
Percentage with Health Benefits	n/a	n/a	47.4	53.0	n/a	n/a

SOURCE: MIS data provided by the individual programs

n/a = information not available from MIS data sources provided

Sample sizes for individual statistics vary, depending on which observations have information available for the statistic in question.

[a]Based on enrolled clients using each program's definition of enrollment and measured only for clients with completed participation spells.

[b]The Washington programs do not systematically collect data on unsubsidized employment.

[c]Successful completion is defined as having completed the full length of placement or having gained unsubsidized employment prior to the end of the placement.

Earned Income Tax Credit (EITC) provides participants a higher net income than they had with TANF alone. The EITC can provide a particularly substantial boost to income: families with one child receive refundable tax credits of up to 32 percent of their earnings and families with two or more children receive refunds of up to 40 percent (Center on Budget and Policy Priorities 2001). A few programs encourage participants to apply for the Advance EITC payment, which provides part of the refund in each paycheck, so that it can be used for day-to-day needs.

Several other financial benefits derive from participation in a transitional work program. Participants' payments of social security and Medicare taxes benefit their families in the long run. Two programs offer financial incentives to participants who gain unsubsidized employment. Some programs encourage, or require, participants to leave cash assistance so that they do not use up their allowable months on TANF, in case they are needed in the future.

HOW TRANSITIONAL WORK AFFECTS TANF GRANTS

If they choose, participants in all the programs, except GoodWorks!, can stay on TANF and combine cash assistance with earnings. The way that earnings affect participants' TANF checks differs depending on the program. In TWC and the Washington State programs, transitional work earnings are treated the same as permanent work earnings: 50 percent of monthly earnings are counted against the TANF grant. As a way of smoothing the transition into the program, participants in the Washington programs and GoodWorks! are allowed to keep both their wages and TANF check in the first month. For the sake of administrative simplicity, the TANF agency in Forrest City cuts PREP participants TANF payments in half, as it does with all working clients. In San Francisco, Community Jobs participants' TANF grants are converted directly into transitional work earnings. Depending on hours worked, most participants receive the same amount or more than their TANF grant.

Skill building and career development

Program staff and participants believe that transitional jobs provide training in both hard and soft skills. Participants can learn concrete occupational skills—including customer service, landscaping, forklift operating, cashiering, food preparation, and clerical skills (e.g., using a computer or fax machine, filing, handling multi-phone lines). In addition, participants are introduced, or re-introduced, to the norms and expectations of the workplace. Staff and work site supervisors agree that one of the greatest benefits to participants of transitional work is that they learn behaviors—such as dressing professionally, arriving punctually, getting along with co-workers, and accepting supervision—crucial to success in work.

Through the programs, transitional workers receive guidance on career planning, build contacts in the community, and learn about jobs that they might not have considered in the past. In some programs, participants who gain employment also benefit from the follow-up and support that staff continue to provide. And, in some cases, transitional job placements lead directly to permanent positions.

Emotional well-being

Participants spoke more of the emotional benefits they gained from transitional work than any other benefit of the program. Many transitional workers have been out of the workplace for a long time or have had repeated, unsatisfactory work experiences. They said that transitional work added structure to their lives, increased their motivation to find permanent employment, and contributed to a new sense of confidence and self-worth. It was particularly gratifying for many transitional workers to become a valuable and appreciated member of their work site. Participants said that they also benefit from the increased support and encouragement from program staff, other participants, co-workers, supervisors, and, in some cases, mentors.

Attention to barriers to employment

The design of transitional work programs offers potential in helping clients address the barriers to employment that they face. The act of working brings problems to the surface and

WHAT PARTICIPANTS SAY ABOUT THE BENEFITS OF TRANSITIONAL JOBS

"I've accomplished more in the last seven months than I have in the last seven years. I got a GED, was placed in a wonderful job site, have possible full-time employment [opportunities] in the school district and community contacts galore. I've got a reason to get up everyday, a purpose, somewhere to go besides home, taking care of four kids."

— A participant in the Tacoma Community Jobs program

"[Transitional work] opened the door and showed me that I can get and hold a job of my own."

— A PREP participant

"I look forward [to work everyday] because I knew that those people are going to treat me right, and I knew that that's something I can do myself...and I know that I'm going to be successful."

— A participant in the Aberdeen Community Jobs program

intensive case management can allow clients to address them within a supported environment. Transitional workers may also benefit from becoming connected to the community-based organizations that operate the programs in this study. These organizations usually provide other services, such as utility assistance, car purchase programs, and housing assistance, that can help program participants in their transition into work.

Benefits also accrue to participating work sites and TANF agencies

The private, non-profit, and public organizations that hire transitional workers say that they also benefit from transitional jobs programs. Transitional workers can provide staff resources and contribute to the productivity of the organization, which is particularly attractive for organizations that may not have funds to hire the permanent staff they need. Work sites can benefit by considering a participant's work as a "trial employment" period, during which the work site can train the participant in the norms and skills specific to that organization and evaluate the participant's promise as a permanent employee. Work sites also receive support and assistance in managing transitional work participants. Many work-site supervisors feel that they benefit from contributing to the greater good of the community and from helping people in need. They may also develop a better understanding for the issues that welfare recipients are facing and become better at managing entry-level employees.

Transitional jobs programs also offer some benefit to the local TANF agencies and to TANF recipients generally, because they represent an option for fulfilling work requirements that may be particularly beneficial for hard-to-employ, long-term welfare recipients. The programs also have the potential to move families off of TANF sooner than other employment programs because they offer wages and because some programs actively encourage transitional workers to leave TANF. By providing opportunities and structures for hard-to-employ, long-

"It's a win-win situation. They're (the participants) are benefiting, we're benefiting, and the taxpayers, in general, are benefiting."

— Work-site Supervisor, Aberdeen Community Jobs Program

term welfare recipients, the transitional jobs programs lighten the load of local TANF agencies. These agencies are then able to work more effectively with their clients most likely to benefit from other, less-intensive programs.

VII. The Future of Transitional Jobs: Findings and Next Steps

The TANF reauthorization debate has yet to unfold, but it is clear that lawmakers intend to continue, and possibly intensify, the focus of welfare programs on employment. There will be particular interest in ways to help hard-to-employ welfare recipients who are at risk of reaching the lifetime limits on receipt of cash assistance. The more we learn about the challenges some families face, the more we recognize that standard "work first" programs may not lead all welfare recipients to sustained employment and self-sufficiency.

The six programs we describe in this report exhibit the flexibility of transitional jobs programs and their capacity to be both work-focused and supportive. The challenges and successes these programs have experienced can guide the course for existing and future programs. This chapter steps back from the details of individual programs to present key findings and possible next steps for the development of the transitional jobs model.

KEY FINDINGS

Our analysis has yielded important findings on program goals and structure; program services; and program costs, outcomes, and perceived benefits.

Program goals and structure

- Transitional jobs programs are a promising strategy for serving individuals floundering in traditional "work first" programs, because they provide a paycheck for real work and an environment and direct services that support the transition.
- Programs in this study provide paid work and other services for the hard-to-employ by collaborating with government agencies, other nonprofits, and private businesses.
- Programs in this study were able to depend almost completely on TANF and Welfare-to-Work funding because they serve primarily TANF recipients.

Program services

- The expectations and responsibilities of, and the rewards reaped by, transitional workers resemble those of regular employees. Transitional workers therefore experience both the benefits and challenges of working in a supportive environment.
- Workers in transitional jobs programs receive more intensive support, supervision, and assistance in working through barriers than they would in other TANF programs. Specifically, the client-to-staff ratio is lower, and the frequency of contact between clients, and program and work-site staff is higher in transitional jobs programs.
- The three programs in this study that target longer-term welfare recipients—TWC, GoodWorks!, and CJP-San Francisco—provide a more comprehensive set of supportive services before, during, and after the placement than do programs targeted more generally to hard-to-employ TANF recipients.

Program costs, outcomes, and perceived benefits

- The service costs of programs in this study—which range from $856 to $1,871 per participant month—are determined by the intensity of services and length of placement. Four of the transitional jobs programs studied have total service costs that are lower than the costs of other labor force attachment programs for welfare recipients.
- Wage costs represent a sizable portion of total costs for most of the programs, but they comprise a smaller portion of costs in the programs with more intensive services. Wage costs add between $287 and $749 per participant month.
- Consistent participation in the study programs usually leads to permanent unsubsidized employment—placement rates for program completers range from 81 to 94 percent.
- Transitional jobs programs, like all TANF work-related programs, struggle with how to retain participants for the duration of the program. Approximately half of those referred to the programs in this study do not successfully complete the programs.
- Similar to welfare leavers in general, participants who gain unsubsidized employment tend to work at least 32 hours per week and about half get jobs that offer health insurance at the time of job entry. Initial wages of program participants, like all welfare leavers, leave them below the poverty line. We do not know, however, how wages of program participants differ from welfare leavers over time.
- Program participants and staff report that transitional work has a positive affect—personally, professionally, and financially—on participants' lives.

NEXT STEPS

Based on the findings of this study, those involved with the development of current and future transitional jobs programs may want to consider several issues related to the model and its potential to serve hard-to-employ individuals.

Program administrators can use the flexible framework of transitional jobs to provide paid work and support to hard-to-employ individuals

The six programs in this study illustrate the range of approaches available within the transitional jobs model. The model can incorporate variations in the length of placement, wages paid, types of placements offered, and types of services provided. A program's approach can vary in intensity, depending on the targeted population and the resources that the state or locality chooses to spend. States and localities interested in developing transitional work programs should consider the targeted population and the goals of the program before determining how intensive and costly an approach they will take.

Intensive programs are more likely to deal with the full range of barriers to employment that participants may face, but they also cost more. The cost of services (not wages) provided by programs in this study ranges from about $2,000 to $14,400 per participant, depending primarily on whether the programs provide pre-placement assessment and training activities, on-going skill-building activities, and retention follow-up. Given the lack of data from rigorous impact studies, it is unclear whether the more costly approaches will produce greater improvements in client outcomes than the less costly ones. However, the most expensive

program in this study—GoodWorks!—was also the program serving clients with the lowest education level and achieving the highest program completion and placement rates.

Because of its flexibility, the transitional jobs model has been promoted as an approach that could help other populations besides welfare recipients. Using paid work to prepare people for work may be a promising approach to helping other populations that have difficulty finding steady employment—including ex-offenders, people with disabilities, youth, and refugees. It may be difficult, however, to recreate the supportive environment that transitional jobs programs provide. The transitional jobs programs in this study all rely on the welfare system to provide participants with work supports, including medical insurance, assistance with child care, and money for items such as clothing or car repairs. A transitional jobs program designed for non-TANF recipients would have to consider carefully how to provide supportive services without links to the welfare system. It is also worth noting that programs targeting other populations would have to find funding sources that are not specific to welfare recipients.

In times of economic uncertainty, it might be tempting to consider transitional jobs as a counter-cyclical program. However, transitional jobs programs are not job creation programs. The model's emphasis on small caseloads and intensive case management limits its capacity to serve that broader purpose. Furthermore, if the primary goal is to create jobs, the increased level of support and supervision provided through transitional jobs programs would be unnecessary and a poor use of resources. The intense support provided through transitional jobs programs help achieve their goal of preparing participants for future employment.

Transitional jobs programs can do more to address the full range of barriers that participants face

The transitional jobs programs in this study were developed specifically to serve TANF recipients, particularly long-term recipients, who have been unsuccessful at job search or other TANF activities. Based on what we know about the educational level of program participants and what we learned from program staff and participants themselves, these programs appear to be successful in reaching this intended population.

As work-based programs, transitional jobs programs often have a daunting task in helping participants overcome barriers to employment. It appears that transitional work programs address some of the employment problems facing hard-to-employ individuals better than others. The programs are well equipped to deal with participants' lack of work experience or basic job and life skills. In addition, intensive case management helps to identify and address logistical barriers to work—such as problems with child care and transportation—relatively quickly and successfully.

Programs have struggled, however, with addressing the more severe personal and family issues that can be formidable hurdles to steady employment. Most of the programs do not take the initiative in identifying the more severe problems, but the structure of transitional jobs programs allows these problems to be identified quickly when they do arise. While recognizing that some problems will be beyond the scope of what transitional jobs programs can address, the relatively low client-to-staff ratios and program flexibility can give participants an opportunity to work through many problems. However, individuals with more severe problems are usually referred back to the TANF agency for connections to specialized services or

reassignment to other activities. Others may drop-out of the programs because of lack of motivation or personal and family challenges.

Transitional jobs programs have difficulty following-through on the toughest issues of the hard-to-employ for both internal and structural reasons. Program staff do not always feel adequately trained to handle severe problems; some staff members believe that the TANF agency should address such problems before referring clients, so that the transitional job can serve as the last step before unsubsidized employment. When programs have tried to link participants with community resources, they find shortages of services in key areas—such as substance abuse treatment and mental health counseling. Even if the services exist, it can be difficult for program staff to build and maintain referral systems with multiple government and community agencies.

There are some steps that could help transitional jobs programs better serve hard-to-employ individuals. Programs could:

- **Consider a stepped approach:** Transitional work programs could require fewer hours during an evaluation phase, and increasing hours as clients adjust to a work schedule (similar to the GoodWorks! design). During the evaluation phase, participants could focus on identifying and eliminating any barriers to employment by combining work hours with other activities, such as assessment, substance abuse treatment or training.
- **Expand group placement options:** Group placements are a more intensive and supportive option for those individuals who have more significant barriers and need a more flexible work schedule. Having the option of group placements may decrease the number of transitional workers that drop out of the program or are referred back to the TANF agency.
- **Improve staff capacity:** Programs could prepare staff for dealing with severe personal and family issues by providing more training on issues such as domestic violence and caring for disabled children. It would also be beneficial to develop resource lists and to design paperwork and protocols for referring clients to other agencies.
- **Increase the flexibility of program requirements:** The programs could have different requirements depending on a participant's job readiness. For instance, some clients might work fewer hours and/or complete more hours of other activities in order to address the barriers they face.

Participants might benefit from a stronger focus on helping them find and keep unsubsidized employment

The stepping-stone that transitional jobs can provide to unsubsidized employment is meaningful only if participants actually gain employment after participating in the programs. Some of the programs in this study seem to lack continuity in linking participants with permanent employment and helping them maintain it.

The programs with well-defined job placement services have the highest rates of placement for participants who successfully complete the program. Using in-house job developers, the TWC program places 94 percent of program completers into jobs. The PREP program, which emphasizes placements that lead to permanent employment, has an 90 percent place-

ment rate for program completers. The other programs, which developed within a framework of existing employment services, rely on other entities for job placement services. There can be advantages to a coordinated approach, but it is important that the link between the transitional job program and job placement is clear and that clients perceive continuity in services.

Follow-up after participants find permanent employment is also likely to be essential to improving employment outcomes. Retention follow-up can ensure that clients continue to have support, encouragement, and a direct connection to supportive services while they adjust to a new job. The transition from subsidized work to permanent work can be challenging, especially for participants who stop receiving TANF at this point. Participants may be working more hours in a permanent position and juggling work and family responsibilities without the support they had received through the program. In addition, if they are no longer receiving TANF, they may not have access to support services or may not know that they are still eligible for programs such as transitional Medicaid.

Half of the programs provide job retention services within the structure of the transitional jobs program. This is a promising development given the evidence that welfare recipients commonly lose their jobs three to six months after starting employment (Strawn and Martinson 2000). Programs with retention services try to improve retention with personal counseling and support, assistance resolving barriers to work and accessing work supports, and job coaching. Additional steps that could help to integrate job retention services into the standard package of transitional jobs services include:

- **Provide retention follow-up:** Given that welfare recipients tend to lose their jobs quickly, the length of follow-up could be as short as three months. Follow-up services can include counseling and support, as well as tangible services that will increase the participants' ability to maintain employment—such as assistance dealing with child care problems and referrals to other services that the family needs.
- **Promote interagency contact:** Programs that use other agencies for placement and/or retention services should work to establish early and on-going contact between staff at the program and at the other agencies. One approach is to co-locate placement/retention staff at the transitional jobs program office.
- **Reward programs for placement and retention:** For those programs on pay-for-performance contracts, the contracting agency can encourage a focus on job placement and retention services by adding payment points for these milestones in the contract.

Improving the quality of collaborations between transitional jobs programs and their partners could lead to greater program cohesiveness

Transitional jobs programs are, by their nature, collaborative efforts among non-profits, government agencies, employee unions, and private employers. Some programs grew out of a collaborative planning process, but now exist as largely self-contained units. Other programs have carried the collaborative planning efforts into program administration, and continue to depend on multiple organizations to provide transitional jobs services. The more collaborative programs marshal the varied strengths and expertise of different community organizations, and stretch program resources by making use of existing services.

Effective collaboration can be challenging. The more organizations or staff contacts that participants must encounter, the less likely they are to see transitional jobs as a cohesive program and the more likely they will get lost in the process. Collaboration can also create more layers in program administration and, consequently, more confusion in communication and accountability. It has been particularly challenging for the programs administered by multiple non-profits and government agencies to define each agency's role. Over time, these programs have found ways to improve their collaborative efforts and more effectively address client needs. These ways include:

- **Hold case conferences:** Group meetings of staff from the program and other agencies in which one or more common cases are discussed can be an effective way to share information and make collaborative decisions about what approach to take with different families. Case conferences could be used to discuss placement decisions, problems participants are having on the job, and unsubsidized job leads, among other things.
- **Co-locate staff:** This is a promising approach to bridging the gap between program staff and staff at other agencies who are involved with providing transitional workers services. Staff from another agency or organization—for instance a TANF case manager or a job developer—would spend a specified number of hours per week working at the transitional jobs program office.
- **Develop inter-agency communications systems:** To best serve transitional workers, inter-agency communication should be regular, substantive, and it should occur at all levels of the program—from case managers to program administrators. Developing protocols for communication—such as standardized forms or expected points of contact—can facilitate this process.

Transitional jobs programs show promise, but more definitive research on participant outcomes and net costs is needed

A number of studies, including this one, have shown that transitional jobs may be an effective means of moving hard-to-employ TANF recipients into the work force and toward self-sufficiency.[48] However, because these are relatively new programs there remains little rigorous experimental research evidence on the effectiveness of transitional jobs programs, relative to other approaches, in improving the employment outcomes of participants, the importance of the various components of the programs (e.g., length of placement, availability of retention services), and the relative benefits and costs.

Random assignment evaluations of transitional work programs would make it possible to isolate the effects of transitional jobs on participants' employment outcomes and compare those effects with the effects of other programs available to welfare recipients. A recent review of evaluation issues for supported work programs (of which the transitional jobs program repre-

[48] A recent non-experimental study from Washington State (Klawitter 2001) reported that Community Jobs participants had 33 percent higher employment rates than non-participants with similar observed characteristics. However, like all non-experimental studies, this study could not account for possible unobserved differences in the characteristics of participants and non-participants (for instance, motivation level or job-related skills) that could be responsible for some of the differences in outcomes.

sents one model) suggests several ways to test alternative components of transitional jobs without denying services. For instance, a wage-paid transitional work program could be compared to a work experience program (which does not pay a wage) in order to understand the specific effects of a paycheck. An evaluation could also compare a program that provides intensive support services to one that focuses primarily on the job placement to determine the importance of supportive services (Pavetti et al. 2001). An experimental evaluation could also isolate and quantify program benefits and compare them more carefully to costs.

TANF reauthorization presents an opportunity to take a closer look at transitional jobs and consider the many ways they can contribute to moving TANF recipients into employment. Few, if any, policy changes are needed to allow transitional jobs programs to flourish. The future of transitional jobs programs depends heavily on the availability of funding. At the time the programs in this study emerged, there were substantial resources—from both the TANF and Welfare-to-Work funding streams—available to serve the hard-to-employ TANF population. With Welfare-to-Work funding ending in 2002 and the amount of available TANF funds possibly shrinking because of changes in the economy and in caseload levels, the funding outlook for transitional jobs programs is uncertain.

There is some risk that these programs may end before they have had the opportunity to mature and undergo more rigorous evaluation. These programs will be more likely to continue and to be researched thoroughly if state or federal funding is earmarked for their operation. One advantage to this approach is that dedicated funding could be tied to a commitment to participate in an evaluation.

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Appendix A: Characteristics of Client Focus Group Participants

TABLE A.1
SUMMARY OF RESPONDENT CHARACTERISTICS: CURRENT PROGRAM PARTICIPANTS WHO PARTICIPATED IN FOCUS GROUPS[a]

	PREP Forrest City, AR	GoodWorks! Augusta, GA	TWC Philadelphia, PA	Community Jobs Aberdeen, WA[b]	Community Jobs Tacoma, WA[c]	Total[d]
Number of Respondents	6	10	15	16	12	59
Gender						
Male	0	0	1	2	1	4
Female	6	10	14	14	11	55
Age						
Less than 20 years	0	0	1	1	2	4
21-30 years	5	6	7	4	4	26
31-40 years	1	2	3	8	4	18
41-55 years	0	2	4	3	2	11
Race/Ethnicity						
White	1	2	0	11	7	21
Black/African American	5	8	14	1	5	33
Asian	0	0	0	0	0	0
American Indian/Alaskan Native	0	0	0	4	0	4
Hispanic or Latino	0	3	0	2	0	5
Non-Hispanic	6	7	15	12	12	52
Primary Language						
English	6	10	15	16	12	59
Spanish	0	0	0	2	0	2
Other	0	0	0	0	0	0
Marital Status						
Never married	1	6	11	4	4	26
Married	2	1	1	2	1	7
Living with partner	0	0	0	2	1	3
Separated	1	1	1	3	3	9
Divorced	2	1	1	5	4	13
Widowed	0	1	1	0	0	2
Average Number of Children	2.3	3.8	2.9	2.7	3.3	3.1
Average Age of the Youngest Child	4.1	6.2	3.8	8.8	5.4	5.9
Educational Level Completed						
Grammar/Elementary School	0	1	0	0	0	1
Junior High/Middle School	0	0	3	2	3	8
High School	2	5	5	5	3	20
G.E.D.	0	2	1	3	5	11
Tech/Vocational School/Bus. College	2	2	3	1	0	8
Community College	2	0	3	5	1	11

(continued)

TABLE A.1
SUMMARY OF RESPONDENT CHARACTERISTICS: CURRENT PROGRAM PARTICIPANTS WHO PARTICIPATED IN FOCUS GROUPS[a]
(Continued)

	PREP Forrest City, AR	GoodWorks! Augusta, GA	TWC Philadelphia, PA	Community Jobs Aberdeen, WA	Community Jobs Tacoma, WA[c]	Total[c]
TANF Assistance in Past 5 Years						
1-23 months	1	5	0	9	3	18
24-47 months	5	2	8	5	5	25
48-60 months	0	3	6	2	4	15
Length of Time in Transitional Work Placement						
1-3 months	4	4	6	6	3	23
3-6 months	2	2	8	6	5	23
Over 6 months	0	2	0	4	4	10
Hours Currently Working in Transitional Job Placement						
More than 20 hours per week	5	10	15	14	12	56
Less than 20 hours per week	1	0	0	2	0	3

SOURCE: Focus group respondent information forms collected during site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

The focus group with current clients in San Francisco, scheduled for September 11, 2001, was cancelled. We therefore relied on information collected during focus groups with current clients conducted by the San Francisco Urban Institute in April 2001.

[a]Characteristics presented here are not reflective of all program participants, only those who participated in focus groups.

[b]In Aberdeen, 19 individuals participated in the discussion group, but only 16 completed the respondent form.

[c]In Tacoma, 14 individuals participated in the discussion group, but only 12 completed the respondent form.

[d]Totals vary depending on responses. In some cases, not every respondent answered a particular question. In other cases, a respondent supplied multiple responses for one category.

TABLE A.2
SUMMARY OF RESPONDENT CHARACTERISTICS: FORMER PROGRAM PARTICIPANTS WHO PARTICIPATED IN FOCUS GROUPS[a]

	PREP Forrest City, AR	GoodWorks! Augusta, GA	TWC Philadelphia, PA	Community Jobs Aberdeen, WA	Community Jobs Tacoma, WA[b]	Total[c]
Number of Participants	10	11	7	9	9	47
Gender						
Male	2	1	0	4	1	8
Female	8	10	7	5	8	39
Age						
Less than 20 years	0	0	0	0	0	0
21-30 years	7	4	2	5	2	20
31-40 years	2	5	1	1	4	13
41-55 years	1	2	4	3	3	13
Race/Ethnicity						
White	0	0	0	6	6	12
Black/African American	10	11	6		3	30
Asian	0	0	1	2	0	3
American Indian/Alaskan Native	0	0	0	2	0	2
Hispanic or Latino	0	1	0	0	0	1
Non-Hispanic	10	9	5	9	9	42
Primary Language						
English	10	11	7	7	9	44
Spanish	0	0	0	2	0	2
Other	0	0	0	1	0	1
Marital Status						
Never married	3	5	5	3	1	17
Married	4	1	0	3	2	10
Living with partner	0	2	0	0	1	3
Separated	3	0	1	2	1	7
Divorced	0	1	0	0	4	5
Widowed	0	2	1	0	0	3
Average Number of Children	3.1	4.5	3.4	2.0	3.4	3.3
Average Age of Youngest Child	3.7	6.2	6.4	7.9	6.9	6.1
Educational Level						
Grammar/Elementary School	0	0	0	0	0	0
Junior High/Middle School	1	1	0	1	0	3
High School	3	7	5	4	2	21
G.E.D.	1	1	0	0	1	3
Tech/Vocational School/Bus. College	0	2	0	1	2	5
Community College	3	0	0	2	4	9
University (4-Year)	0	0	0	1	0	1
Graduate school	2	0	1	0	0	3
TANF Assistance in Past 5 Years						
1-23 months	5	3	2	2	1	13
24-47 months	1	2	2	6	7	18
48-60 months	2	6	3	0	1	12
Currently Receiving TANF Assistance						
Yes	1	1	3	1	4	10
No	9	10	4	8	5	36

(continued)

TABLE A.2
SUMMARY OF RESPONDENT CHARACTERISTICS: FORMER PROGRAM PARTICIPANTS WHO PARTICIPATED IN FOCUS GROUPS[a]
(Continued)

	PREP Forrest City, AR	GoodWorks! Augusta, GA	TWC Philadelphia, PA	Community Jobs Aberdeen, WA	Community Jobs Tacoma, WA[b]	Total[c]
Completed Transitional Work Placement						
Less than 3 months ago	3	1	3	5	6	18
3-6 months ago	3	3	1	0	2	9
More than 6 months ago	4	4	3	4	1	16
Employment Status						
Not employed	0	0	0	0	3	3
Working less than 20 hours per week	1	0	0	0	0	1
Working more than 20 hours per week	9	11	7	8	5	40

SOURCE: Focus group respondent information forms collected during site visits conducted as part of the Study of Wage Paid Transitional Employment Programs, August and September 2001.

Mathematica did not conduct a focus group with former program participants in San Francisco, but relied on information collected during focus groups with former program participants conducted by the San Francisco Urban Institute in August 2001.

[a]Characteristics presented here are not reflective of all former program participants, only those who participated in focus groups.

[b]In Tacoma, 10 individuals participated in the discussion group, but only 9 completed the respondent form.

[c]Totals vary depending on responses. In some cases, not every respondent answered a particular question. In other cases, a respondent supplied multiple responses for one category.

Appendix B: Program Summaries

APPENDIX B-1

People Realizing Employment Possibilities (PREP)
Forrest City (St. Francis County), Arkansas

Date of Site Visit: September 11-12, 2001.

Program Initiation Date: August 1999.

Program Background: The PREP program emerged out of an effort by a welfare reform planning group to design a subsidized employment program for TANF recipients that would place clients in small businesses and organizations, which, in turn, would provide on-the-job training. Agency chairs from the St. Francis County Workforce Alliance (WFA) and TEA (Transitional Employment Assistance) Coalition[48] and the director of the WFA developed the PREP program model. PREP has received substantial support from the local business community.

Target Population: PREP serves individuals in St. Francis County who are referred by DHS (TEA recipients) or who qualify based on income (earnings less than 185 percent of the federal poverty level).

Number of Clients Enrolled:[49] 177 (through December 2001).

Funding Sources: TANF, Foundation for the Mid-South.

Administrative Structure and Staffing: WFA administers the PREP program and is the employer of record for program participants. The WFA has five staff in total: program director, site coordinator, marketing specialist, and two Vista volunteers, who provide administrative support. Only one staff member—the marketing specialist—is currently dedicated to the PREP program full-time. The marketing specialist manages all the day-to-day functions, including placement development, client placement, case management, and monitoring.

Outreach and Referral: Clients are informed about the PREP program by DHS case managers. PREP is introduced as one of the activities that clients may choose to meet their work participation requirement. DHS case managers generally look for TANF recipients who are high school graduates, who currently in unpaid work experience, or who are about to reach the time limit for TEA assistance.

Preparing for Transitional Work: Most PREP clients have completed four weeks of independent job search before they are referred to the program. After DHS refers TANF recipients to PREP, the marketing specialist meets with them to conduct a basic intake interview, which introduces clients to the program. From January 2000 through June 2001, pre-placement activ-

[48] The TEA Coalition is a state-registered non-profit organization responsible for developing and implementing the local welfare reform initiative.

[49] Clients are enrolled when they complete a program application and individual intake meeting.

ities for PREP program participants consisted of self-administered job readiness skills classes delivered through a mobile computer lab. The course included information on work culture, developing resumes, interviewing skills, managing money, and general life skills. Clients were also required to participate in a consumer credit workshop and a substance abuse workshop. Due to funding constraints, pre-placement activities were discontinued as of June 30, 2001.

Transitional Work Placements: The PREP marketing specialist is responsible for all placement development. The program has not had a problem developing placements.

> **Types of placements:** There are no restrictions on the types of placements. They may be in government agencies, non-profit organizations, or private, for-profit companies. The marketing specialist identifies work placements by looking for regular job openings in the newspaper and through employer contacts in the community. The marketing specialist focuses on finding placements that will lead to permanent jobs.
>
> **Maximum length of placement:** Six months, but the goal is unsubsidized job placement in three months.
>
> **Required hours:** Minimum of 30 hours per week, maximum of 40 hours per week.
>
> **Wages:** $5.15 per hour for clients without a high school diploma or GED; $5.50 for clients with a high school diploma or GED, and $6.00 for clients with higher skills and some college.

Services and Supports During Transitional Work: There are no additional services provided to PREP program participants on the work site. Services may be available on an as-needed basis and are coordinated by the marketing specialist. For some time, PREP provided a van service for participants in work placement. However, funding for this ran out in the summer of 2001.

PREP has created a mentoring program for participants. Volunteers from the community are matched with clients with placements. Mentors talk with clients about workplace issues, such as dress and behavior, and children's issues. They also provide encouragement and personal support.

Job Search and Job Retention Services: Because PREP emphasizes work placements in agencies that may lead to permanent jobs, there is little need for additional job placement services. Clients who do not have a permanent job at the end of their placement period are referred back to DHS for assignment to another activity.

There are no formal post-placement or job retention services offered through the PREP program. The volunteer mentors continue to provide informal support to clients after the end of their work placement. PREP program staff may informally check in with clients who are working, but are not required to do so. Clients who lose their job typically contact the PREP program to obtain job leads.

APPENDIX B-2

Community Jobs Program
San Francisco, California

Date of Site Visit: September 10-12, 2001.

Program Initiation Date: February 1999.

Program Background: The Community Jobs Program (CJP) was initially a pilot program to test the feasibility of transitional jobs for meeting the community service requirement for recipients reaching 24 months on TANF. CJP originated at the local level under the leadership of the Department of Human Service (DHS), which serves the city and county of San Francisco. To develop the program, DHS worked with local community-based organizations (CBOs), two of which became contracted service providers.

Target Population: Initially, the program helped hard-to-employ welfare recipients—those who faced significant barriers to employment or who had difficulty in other TANF-required activities—as well as those approaching the 24-month work trigger.[50] At the time of the site visit, the emphasis shifted to the growing number of TANF recipients near or at the 24-month mark.

Number of Clients Enrolled:[51] 274 (through August 2001).

Funding Sources: TANF (through grant diversion), TANF/CalWORKs county allocation, Welfare-to-Work (competitive funds), and city general revenues.

Administrative Structure and Staffing: DHS holds contracts with two community-based organizations—Goodwill Industries and Asian Neighborhood Design (AND)—that provide transitional jobs services. DHS also contracts with the San Francisco PIC agency to provide payroll and employer services to CJP participants. DHS plays a significant role in day-to-day program administration by handling the grant diversion process, coordinating services between the two provider agencies, and providing job search and placement services for clients ready for unsubsidized employment.

Outreach and Referral: DHS employment specialists refer eligible clients to the Community Jobs Program.

Preparing for Transitional Work: CJP clients participate in a two-week orientation and job skills workshop. During the workshop, clients discuss their career interests, identify barriers to employment and the services that could address them, work on job readiness skills (for example, interviewing), and discuss expectations of the work site. CJP clients also meet their case managers during orientation.

[50] After receiving TANF for 24 months, clients must be employed in an unsubsidized job or doing community service in order to continue receiving a welfare grant. Participants in CJP meet the work requirement, because the program is considered a community service activity.

[51] Clients are enrolled when they complete one day of the job skills workshop.

Transitional Work Placements: Program vendors are responsible for developing work sites for clients referred to their agency. DHS job developers handle job placement services for unsubsidized jobs.

Types of placements: CJP emphasizes placements in non-profit organizations. A small number of individuals are placed in nonunionized public agency positions. Examples of placements include special events coordinator, rehabilitation assistant, information technology intern, graphic design assistant, warehouse driver, animal care attendant, and various clerical positions.

Maximum length of placements: 9 months.

Required hours: 32 hours per week (35 hours for participants in two-parent families).

Wages: $6.26 (increased to $8.00 as of January 2002).

Services and Supports During Transitional Work: CJP case managers work intensively with their clients from the time of the orientation workshop through the transitional placement. The level and types of case management services vary according to the participants' needs. In addition, CJP case managers and DHS employment specialists work in partnership to support CJP participants. DHS employment specialists authorize supportive services and participate in case conferences.

CJP is gradually moving to a model where participants spend about 20 hours per week at a work site and about 12 hours per week in supplemental activities, and are paid wages for both. Supplemental activities may include a weekly self-sufficiency workshop, advanced life skills class, ESL classes, Adult Basic Education, and basic computer skills. Up to 4 hours of mental health and substance abuse treatment may count as supplemental activities.

Job Search and Job Retention Services. For the first two years of the program, CJP staff at the CBOs handled all job development. As of the summer of 2001, job development for CJP was integrated with job development and placement services for other CalWORKS participants at DHS. Clients have a range of job search resources available to them.

At a minimum, CJP case managers maintain monthly contact for a year after participants find unsubsidized jobs. They help participants find new jobs, if they lose them. Case managers check on the clients' progress and make sure that they receive the transitional services to which they are entitled, including childcare, transit passes, and MediCal for a year. DHS also provides job retention services for up to 12 months after cash assistance case closure. In addition, job retention bonuses are provided to clients who get and keep a job.

APPENDIX B-3

GoodWorks! Program
Augusta (Richmond County), Georgia

Date of Site Visit: September 24-26, 2001.

Program Initiation Date: March 2000 (pilot); February 2001 (expansion).

Program Background: GoodWorks! was initiated by the Georgia Department of Labor (GDOL) out of a pressing concern for families approaching the state time limit of 48 months. Richmond County was the pilot site for the GoodWorks! program. GoodWorks! has a collaborative approach to providing services with involvement of the Department of Labor (DOL), Division of Family and Children's Services (DFCS), Richmond/Burke Job Training Authority (JTA), and Goodwill Industries of Middle Georgia and the CSRA in the initial design and implementation. These agencies, along with Vocational Rehabilitation (VR), continue to coordinate service delivery.

Target Population: The original pilot program targeted families who had reached or were within 12 months of reaching the state time limit. As the program was expanded statewide, the program targeted TANF families on cash assistance 30 months or longer. As of October 2001, eligibility was broadened to all TANF recipients with significant barriers to employment.

Number of Clients Enrolled:[52] 253 (includes pilot and expansion through December 2001).

Funding Sources: Welfare-to-Work (competitive and formula funds); TANF.

Administrative Structure and Staffing: The GoodWorks! program is administered by the group of agencies listed above (i.e., DOL, DFCS, JTA, VR, and Goodwill Industries). Goodwill Industries and Golden Harvest provide employment services. Goodwill Industries serves the majority of clients. Golden Harvest was added as an employment vendor in July 2001 and is contracted to serve up to 24 clients per year.

The core GoodWorks! staff, those hired as part of the GoodWorks! program at Goodwill Industries, include: recruiters (1), personal advisors (23), and career development specialists (11). Recruiters conduct outreach activities, such as home visits, to engage referred clients in the program. Personal advisors work intensively with clients to identify and address barriers to employment. Career development specialists teach clients healthy workplace behaviors to help them get and keep a job, conduct job placement and work-site coaching, and provide retention services. Golden Harvest has one staff member who handles all of these functions. In addition to core staff, ancillary staff from other agencies provide assessments, job development, and job search assistance.

Outreach and Referral: DFCS case managers refer clients to GoodWorks! GoodWorks! recruiters contact clients prior to orientation to explain the program and encourage them to participate. Recruiters conduct up to three home visits, if necessary to ensure the client's participation.

Preparing for Transitional Work: GoodWorks! service delivery is divided into two phases: work evaluation and work adjustment. Work evaluation is the first three to four weeks after

[52] Clients are enrolled when they complete a group orientation.

program orientation. Clients are immediately assigned a work placement, personal advisor, and career development specialist. Work evaluation is used to determine the service needs of the client and develop a plan to address them. During work evaluation, clients attend a half-day orientation and complete an in-depth assessment conducted by Vocational Rehabilitation. Clients also work 20 hours per week in their transitional job during this phase. After work evaluation, clients enter work adjustment, at which point their work hours increase to 28.

Transitional Work Placements: GoodWorks! clients, depending on their interests, are assigned group placements at Goodwill Industries or Golden Harvest. Clients may be moved into community placements as they become ready.

> **Types of placements:** Group placements at Goodwill Industries (sorting, hanging, cashiering) or Golden Harvest (warehouse work, fork lift operating, cashiering, and food preparation). Some individual placements in local non-profit organizations.
>
> **Maximum length of placements:** Length of placements vary depending on client needs. On average, Goodwill Industries placements last 6 to 9 months and Golden Harvest placements last 13 weeks.
>
> **Required hours:** 20 hours per week during work evaluation; 28 hours per week during work adjustment (increased to 35 hours since the site visit).
>
> **Wages:** Goodwill Industries (average of $6.00/hr); Golden Harvest ($8.52).

Services and Supports During Transitional Work: GoodWorks! provides intensive support to clients while in their job placement. Personal advisors work individually with clients to address personal and family challenges. They teach clients life skills such as communication, problem-solving, and time management. Additionally, they help clients resolve legal issues, deal with children who have behavioral problems, and link them to treatment (e.g., mental health, substance abuse). Personal advisors manage about 15 clients, some of whom are in permanent jobs. Career development specialists work with clients to help with job-related needs (caseload size is about 25). They teach clients healthy workplace behaviors, assist with job search, and work with employers to ensure that clients who have found permanent employment stay employed. As part of GoodWorks! program, clients are required to participate in four to five hours a week of job readiness/life skills workshops.

Job Search and Job Retention Services: Clients work individually with their career development specialist and job developers from DOL and JTA (co-located in Goodwill Industries) to identify job opportunities. Job developers try to find jobs for participants that match their skills, experience, and interests.

GoodWorks! participants are tracked for up to two years after they begin the program. Personal advisors and career development specialists continue to work with clients, although not as frequently or intensely. Mostly, program staff help clients maintain employment with the necessary support and resources provided through job retention initiatives.

APPENDIX B-4

Philadelphia@Work
Transitional Work Corporation (TWC)
Philadelphia, Pennsylvania

Date of Site Visit: September 5-7, 2001.

Program Initiation Date: November 1998.

Program Background: Transitional Work Corporation (TWC) was created as a city-wide program for TANF families approaching the 24-month time limit. Support began with the mayor and spread to other agencies, who designed and implemented the program. Members of the original planning group included: senior staff from the Mayor's Office of Policy and Planning, Pennsylvania's Department of Public Welfare, The Pew Charitable Trusts, the Private Industry Council/Philadelphia Workforce Development Corporation, the County Assistance Office (CAO), and Public/Private Ventures.

Target Population: TANF recipients who have reached 24 months on cash assistance.

Number of Clients Enrolled:[53] 2,178 (through December 2000).

Funding Sources: TANF, Welfare-to-Work, and private sources (Pew Charitable Trusts and Annie E. Casey Foundation).

Administrative Structure and Staffing: Originally, TWC was part of Greater Philadelphia Works (GPW), which administered several Welfare-to-Work programs. GPW was dissolved in fall of 2001. TWC is now solely responsible for administering the program.

TWC has over 83 staff members. Staff members are organized into one "orientation pod" and four "employment pods" Each employment pod is responsible for clients in a particular area of the city. There are approximately 11 staff members assigned to each employment pod, including 1 team leader, 3-4 career advisors, 2 retention career advisors, 2 job placement/sales people, and 2 facilitators for wrap-around training.

Outreach and Referral: Participation in TWC is optional for TANF recipients. CAO case managers inform TANF recipients approaching 24 months of cash assistance about the program. In addition, TWC has three recruitment staff who visit CAO district offices to "sell" the program to potential participants. TANF recipients also learn about TWC from current and former participants. TWC receives 60-65 referrals each week.

Preparing for Transitional Work: TANF recipients referred to TWC must participate in a two-week orientation and pre-placement training. The orientation resembles a work setting and teaches clients skills (e.g., job readiness skills, soft skills, office skills, etc.) important for their work placement. Participants are expected to carry themselves professionally, dress appropriately, and show up on time. In addition, they complete paperwork to obtain supportive services, such as child care and transportation allowances.

[53] Clients are enrolled after three days in TWC's pre-placement training.

Employers providing work placements must agree in writing that they are committed to the development of program participants. TWC pays work sites $49 per participant and holds monthly training sessions for work site supervisors on strategies for supervising program participants.

Transitional Work Placements: The orientation pod—particularly, its two job developers—is responsible for finding transitional work placements.

> **Types of placements:** Work placements are primarily in the non-profit and public sectors. Common transitional work placements include the following areas: clerical, child care, food service, security, housekeeping, and administrative work (e.g., receptionist).
>
> **Maximum length of placements:** 6 months.
>
> **Required hours:** 25 hours per week.
>
> **Wages:** $5.15 per hour.

Services and Supports During Transitional Work: Clients are assigned work partners (other than direct supervisors) who can informally help them adjust to the work placement. Clients are also assigned a TWC career advisor, who handles all aspects of career advising, case management, and monitoring while the client is in transitional work placement. Career advisors serve about 35 participants. CAO case managers continue to stay involved with the client and authorize supportive services, for example, car repairs.

Clients must attend ten hours a week of professional development training, which focuses on employment-specific training. Two of the ten hours are devoted to academic support, such as GED classes and ESL. The other hours are devoted to skill-building activities, such as resume writing, computer classes, and job search activities. As part of professional development training, clients attend weekly team meetings with other participants and TWC staff in their employment pod. During these meetings, participants share job opportunities and listen to guest speakers, typically employers, who provide strategies for getting and keeping a job.

Job Search and Job Retention Services: Participants begin job search activities during team meetings when they start the program and increase the intensity of the search after three months. In-house staff provide job placement services. Once clients move from transitional to permanent jobs, they are assigned retention career advisors, who work with them for up to six months. Clients may qualify for job retention bonuses at job placement ($200), at 60 days ($200), and at 120 days ($400) of employment, if they are working at least 30 hours per week.

APPENDIX B-5

Community Jobs
Aberdeen (Grays Harbor County), Washington

Date of Site Visit: August 27-28, 2001.

Program Initiation Date: March 1998.

Program Background: Community Jobs (CJ) is a Washington statewide program with flexibility at the local level. The CJ program in Grays Harbor County began in 1998 as one of five pilot sites. Coastal Community Action Program (CCAP), one of the largest service providers in the area, was chosen as the lead agency and primary employment service provider. Other agencies involved in the program include Grays Harbor Community College, the Department of Economic Security, and the Department of Social and Human Services.

Target Population: TANF recipients who are unsuccessful in a 12-week structured job search program.

Number of Clients Enrolled:[54] 266 (through July 2001).

Funding Sources: TANF reinvestment funds.

Administrative Structure and Staffing: CCAP administers and provides services to CJ participants and acts as the employer of record. A CCAP program manager coordinates CJ and four other CCAP programs. Four full-time job coaches at CCAP work with 20 to 25 CJ participants each.

Outreach and Referral: Clients are referred to CJ primarily through DSHS case managers or social workers. In addition, TANF recipients may learn about the CJ program from current or former CJ participants. Brochures describing the program are available in the DSHS office.

Preparing for Transitional Work: Clients referred to CJ are introduced to the program during a week-long orientation/assessment workshop conducted by Grays Harbor Community College. Clients also meet individually with their job coach, who conducts an informal assessment of job skills and interests to decide upon a work placement.

Transitional Work Placements: Job coaches are responsible for developing work placement sites.

> **Types of placements:** CJ places clients in largely clerical and service positions in nonprofit or government agencies. At the time of the visit, Washington was launching the Career Jump program, which will place CJ participants in private-sector work-sites.
>
> **Maximum length of placements:** 9 months.
>
> **Required hours:** 20 hours per week.
>
> **Wages:** State minimum wage: $6.72 at time of site visit, increased to $6.90 in January 2002.

[54] Clients are enrolled on the first day of their transitional work placement.

Services and Supports During Transitional Work: Job coaches work individually with clients from intake until completion of placement. Job coaches see clients at least twice a week, including visits at their placements, in their homes, or at CCAP. Job coaches teach clients problem-solving skills, access supportive services, and build clients' self-esteem. Job coaches carry pagers in order to respond quickly to clients.

Total supportive services dollars available to each TANF recipient is $3,000. CJ counselors may authorize only $600 of this amount directly to CJ participants. This funding can support car repairs, work clothing, diapers, gas, and bus passes.

Clients are required to participate in 20 hours per week in job search, education, or training activities in addition to their work placement. These activities—coordinated through the client's TANF case manager, not their CJ counselor—may include GED classes, pre-employment classes, courses at the community college, and job search. CJ participants are not paid wages for the hours spent in education and training activities.

Job Search and Job Retention Services: Clients who have been in the program seven months are required to participate in job search activities at the Career Center (managed by the Department of Employment Security). The Career Center, a one-stop center of 15 different agencies, provides job search assistance, job placement, worker profiling, job clubs, and supportive services. CCAP also provides some job search assistance. CCAP has computers that are accessible to clients to help them find job leads. Job coaches indicated that they frequently review job lists to identify opportunities for their clients.

CJ does not provide any formal job retention services. However, job coaches often remain in contact with clients and assist those who return with short-term needs.

APPENDIX B-6

Community Jobs
Tacoma (Pierce County), Washington

Date of Site Visit: August 29-31, 2001.

Program Initiation Date: March 1998.

Program Background: Community Jobs (CJ) in Tacoma is part of a statewide program administered by Washington State's Department of Community, Trade and Economic Development (CTED). Tacoma-Pierce County was one of five pilot sites awarded a Community Jobs grant in 1998.

Target Population: TANF recipients who are unsuccessful in a 12-week structured job search program.

Number of Clients Enrolled:[55] 1,123 (through August 2001).

Funding Sources: TANF reinvestment funds.

Administrative Structure and Staffing: The Tacoma-Pierce County Employment and Training Consortium (Consortium) manages the CJ program by monitoring contract compliance of the five service partners, managing the fiscal operations of the program, and serving as the gateway for TANF recipients referred from the Department of Social and Human Services (DSHS). The Consortium also serves as the employer of record. The five service partners are: Goodwill Industries, Metropolitan Development Council (MDC), Puget Sound Educational Service District (PSESD), Pierce County Community Action (PCCA), and Washington Women Employment and Education (WWEE). All five partners take referrals, place participants in work sites, and provide case management and support services to current participants. The number and types of program staff vary by agency.

Outreach and Referral: DSHS case managers are responsible for identifying and referring clients to the CJ program. In general, they look for clients who have limited work experience, low self-esteem, and serious barriers to employment, and need a supportive work environment. After DSHS refers clients, the Consortium, based on brief intake assessments conducted by the program manager, distributes the clients among the five partner agencies.

Preparing for Transitional Work: Activities vary depending on the partner agency. Most agencies begin with an orientation that lasts 2–3 hours. Approximately 15 percent of CJ participants are also assigned to a 3–4 week intensive job-readiness class called REACH (Reaching Employment and Achieving Career Habits) offered by WWEE.

Transitional Work Placements: Work placements vary considerably. Each provider is responsible for developing work placements for clients referred it.

> **Types of placements:** When the program started, all CJ participants were placed in nonprofit organizations or government agencies. In July 2001, the state began allowing placements in private companies for work-ready clients through the Career Jump pro-

[55] Clients are enrolled on the first day of their transitional work placement.

gram.9 Positions are mostly clerical, but non-clerical positions include van driver, warehouse workers, childcare, food service, maintenance, and retail.

Maximum length of placements: 9 months.

Required hours: 20 hours per week. Counselors may request that participants work more hours, if it will be beneficial to their skill development and lead to unsubsidized employment at the work site.

Wages: State minimum wage; $6.72 at time of site visit, increased to $6.90 in January 2002.

Services and Supports During Transitional Work: CJ participants are assigned a CJ counselor with whom to work from the time they are referred to the program until they finish their placement or find unsubsidized employment. CJ counselors see participants approximately once a week.

Total supportive services dollars available to each TANF recipient is $3,000, but CJ counselors can authorize dispersal of only $600 of this amount directly to CJ participants. This funding can support car repairs, work clothing, diapers, gas, and bus passes.

Clients are required to participate in 20 hours per week of job search, education, or training activities in addition to their work placement. These activities— coordinated through the client's TANF case manager, not their CJ counselor—may include GED classes, pre-employment classes, courses at the community college, and job search. CJ participants are not paid wages for hours spent in education and training activities.

Job Search and Job Retention Services: Originally, CJ participants were expected to start looking for a job after six months in the program, but now they must start after four months. CJ participants receive varying levels of assistance with job search, depending on their assigned provider. All the agencies provide some resources for finding information about unsubsidized employment opportunities. In addition, in the summer of 2001, the Consortium hired a CJ business services consultant to develop unsubsidized jobs for CJ participants.

Once CJ participants complete their placement or find permanent employment, they are no longer eligible for services. Using a different funding source, WWEE continues to follow-up with former CJ participants for up to two years. Other providers may encourage clients to participate in job retention and advancement services offered through DSHS.

[56] Job development for private sector placements is conducted by the Consortium's business services consultant.

Appendix C: Patterns of Program Participation

APPENDIX C
PATTERNS OF PROGRAM PARTICIPATION[a]

Program or Client Characteristic	PREP Forrest City, AR	CJP San Francisco, CA	GoodWorks! Augusta, GA	TWC Philadelphia, PA	CJ Aberdeen, WA	CJ Tacoma, WA
For All Clients of Program						
Average length in program (months)	3.1	6.5	7.7	3.4	6.2	5.3
Percentage in program for less than or equal to 1 month	29.5	19.6	2.0	17.9	10.0	12.4
Percentage in program for 1-3 months	27.7	10.2	11.4	30.7	15.6	21.8
Percentage in program for 3-6 months	22.9	20.4	31.7	37.1	20.4	19.9
Percentage in program for 6-9 months	18.1	21.3	21.3	12.8	24.2	31.7
Percentage in program for more than 9 months	1.8	28.4	33.7	1.5	29.9	14.2
For Clients Completing Transitional Placement[b]						
Average length in program (months)	4.3	9.3	8.2	4.6	8.3	6.2
Percentage in program for less than or equal to 1 month	18.0	2.3	2.4	6.9	2.9	11.3
Percentage in program for 1-3 months	20.2	7.0	10.2	18.4	7.8	16.9
Percentage in program for 3-6 months	24.7	16.3	29.5	47.0	10.7	19.5
Percentage in program for 6-9 months	33.7	24.8	16.9	24.8	17.5	15.5
Percentage in program for more than 9 months	3.4	49.6	41.0	3.0	61.2	36.7
For Clients Not Completing Transitional Placement						
Average length in program (months)	1.8	2.8	5.3	2.2	4.2	4.7
Percentage in program for less than or equal to 1 month	42.9	42.7	0.0	29.6	16.7	13.2
Percentage in program for 1-3 months	36.4	14.6	16.7	43.9	23.1	24.9
Percentage in program for 3-6 months	20.8	26.0	41.7	26.5	29.6	20.1
Percentage in program for 6-9 months	0.0	16.7	41.7	0.0	30.6	41.8
Percentage in program for more than 9 months	0.0	0.0	0.0	0.0	0.0	0.0

APPENDIX C
PATTERNS OF PROGRAM PARTICIPATION[a]
(Continued)

Program or Client Characteristic	PREP Forrest City, AR	CJP San Francisco, CA	GoodWorks! Augusta, GA	TWC Philadelphia, PA	CJ Aberdeen, WA	CJ Tacoma, WA
For Clients Obtaining Unsubsidized Jobs						
Average length in program (months.)	3.9	8.2	7.1	4.5	6.4	4.3
Percentage in program for less than or equal to 1 month	20.0	2.9	2.8	7.3	5.7	16.9
Percentage in program for 1-3 months	22.5	8.6	12.0	19.6	15.1	25.3
Percentage in program for 3-6 months	27.5	20.0	34.5	50.0	20.8	29.1
Percentage in program for 6-9 months	27.5	30.5	19.0	20.0	30.2	19.0
Percentage in program for more than 9 months	2.5	38.1	31.7	3.1	28.3	9.7

Source: MIS data provided by the individual programs

Samples restricted to cases with start and end dates for program participation.

[a]Based on enrolled clients using each program's definition of enrollment as described in Chapter VI.

[b]Completion of transitional placement refers to either staying in program until unsubsidized placement, or staying at least six months (PREP and TWC programs) or at least nine months (all other programs).

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